



Adhunik

ADHUNIK INDUSTRIES LIMITED

An ISO 9001:2015 , 14001 : 2015 & 18001 : 2007 Organisation

Corporate Office : "LANSDOWNE TOWERS", 2/1A, SARAT BOSE ROAD, KOLKATA - 700 020

PH. : 033-6638 4700 ★ FAX : 91-33-2289 0285 ★ Website : www.adhunikgroup.com

E-mail: info@adhunikgroup.com

20th September, 2019.

Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001. Scrip Code: 538365	The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai-400 051. Scrip Code- ADHUNIKIND
The Secretary The Calcutta Stock Exchange Limited 7, Lyons Range Kolkata-700 001 Scrip Code: 28188	

Dear Sir/ Madam,

Sub: Submission of 40th Annual Report of the Company for the Financial Year 2018-19 along with notice of 40th Annual General Meeting

Re: Regulation 34 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015

In accordance with Regulation 34 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 40th Annual Report of the Company for the financial year 2018-19 along with notice of 40th Annual General Meeting of the Company to be held on Monday, 16th September, 2019 at 02:30 P.M. at Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700 017, West Bengal.

The Annual Report and notice has also been made available on the website of the Company at www.adhunikindustries.com.

Thanking you and assuring you of our best attention always,

Yours faithfully,

For Adhunik Industries Limited

Jugal Kishore Agarwal

Managing Director

DIN: 00227460

Encl: As above

Regd. Office : 14, Netaji Subhas Road, II-Floor, Kolkata - 700 001 © : 2243-4355, 2242-8551

Works : Raturia, Angadpur, Durgapur - 713 215, Phone : (0343) 2591105/2591122/1123/1124

CIN : L27100WB1979PLC032200

Defining **Growth** and **Focus**



ADHUNIK INDUSTRIES LIMITED

40th ANNUAL REPORT 2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Mahesh Kumar Agarwal	(DIN: 00507690)	- Non-executive Chairman (resigned w.e.f. 15.07.2019)
Shri Jugal Kishore Agarwal	(DIN: 00227460)	- Managing Director
Shri Mohan Lal Agarwal	(DIN: 01047906)	- Non-executive Director (resigned w.e.f. 15.07.2019)
Shri Asit Baran Dasgupta	(DIN: 02476594)	- Independent Director
Smt. Sonam Agarwal	(DIN: 08054202)	- Independent Woman Director
Smt. Shilpi Modi	(DIN: 02706881)	- Independent Woman Director
Mr. Trilok Sharma	(DIN: 08432440)	- Non-executive Chairman (appointed w.e.f. 15.07.2019)
Mr. Rama Shankar Gupta	(DIN: 07843716)	- Non-executive Director (appointed w.e.f. 15.07.2019)

CHIEF FINANCIAL OFFICER

Shri Bikash Roy Chowdhury (resigned w.e.f. 31.03.2019)
Shri Ajay Kumar Bhuwania (appointed w.e.f. 01.04.2019)

COMPANY SECRETARY

Shri Bharat Agarwal

STATUTORY AUDITORS

M/s. Sudhir Kumar Jain & Associates
Chartered Accountants

COST AUDITORS

M/s. Dipak Lal & Associates
Cost Accountants

SECRETARIAL AUDITORS

M/s. M R & Associates
Company Secretaries

INTERNAL AUDITORS

M/s. G. P. Agarwal & Co.
Chartered Accountants

BANKERS

Canara Bank
Bank of India
Oriental Bank of Commerce
Punjab National Bank
Bank of Baroda

REGISTERED OFFICE

14, Netaji Subhas Road
2nd Floor, Kolkata- 700 001
Phone/Fax: 033-2243 4355 / 2242-8551

CORPORATE OFFICE

Lansdowne Towers
2/1 A, Sarat Bose Road
Kolkata-700 020.
Phone: (033) 6638-4700
Fax: (033) 2289-0285
E-mail- investorsail@adhunikgroup.co.in
Website: www.adhunikindustries.com

WORKS

Raturia, Angadpur
Durgapur-713 215
Phone: (0343) 2591105 / 2591122 / 1123 / 1124

REGISTRAR & TRANSFER AGENT

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata-700 001
Phone: (033) 2243-5809/5029
Fax: (033) 2248-4787
E-mail- mdpldc@yahoo.com

Between the Covers

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BOARD OF DIRECTORS



Shri Mahesh Kumar Agarwal
Non-executive Chairman
(resigned w.e.f. 15.07.2019)



Shri Jugal Kishore Agarwal
Managing Director



Shri Mohan Lal Agarwal
Non-executive Director
(resigned w.e.f. 15.07.2019)



Shri Asit Baran Dasgupta
Independent Director



Smt. Sonam Agarwal
Independent
Woman Director



Smt. Shilpi Modi
Independent
Woman Director



Mr. Trilok Sharma
Non-executive Chairman
(appointed w.e.f. 15.07.2019)



Mr. Rama Shankar Gupta
Non-executive Director
(appointed w.e.f. 15.07.2019)



CHAIRMAN'S COMMUNIQUE

Dear Shareholders,

The year 2018-19 was the worst of years and the best of years.

The Indian economy registered positive signs of growth in the first two quarters of the financial year but thereafter reported one of the most sluggish subsequent quarters in recent memory. This sudden tail-spin was the result of a crisis in a large non-banking finance company (NBFC) that deciphered into a national monetary paralysis which, in turn, induced caution in consumer sentiment across regions and product categories.

The performance at Adhunik Industries must be appraised against the backdrop of this national economic landscape. The Company reported a 37.62% growth in revenues and but its EBIDTA saw a decline during the year under review. The achievement may not be highly credible but it came during a challenging economic phase which should not dampen our spirit for an attractive future.

World Economic review

The global economy grew 3.7% in 2018 compared to 3.8% in 2017, largely on account of the failure of Brexit negotiations, tightened financial conditions, geopolitical tension and higher crude oil costs. Global growth is estimated at 3.5% in 2019 and 3.6% in 2020 on account of a sustained weakening in advanced economies. (Source: World Economic Outlook).

The positive Indian economic story

Our optimism is based on the fact that India continued to be the most exciting major economic story in the world. India is



the world's fastest growing economy. India emerged as the sixth-largest and retained its position as the fastest-growing trillion-dollar economy. However, after growing 7.2% in 2017-18, the Indian economy slowed down to 7% in FY 2018-19. In 2018, the country attracted more foreign inflows worth ~US\$ 38 billion, higher than China's US\$ 32 billion. India witnessed a 23-notch jump to reach the 77th position in the World Bank's Ease of Doing Business rankings. The commencement of the US-China trade war opened a new opportunity for India. Inflation (including food and energy prices) was pegged at 2.6% on an annual basis, one of the lowest in years and below the RBI's medium-term target of 4%. The rupee rebounded after touching a low of 74.45 to a dollar to close the financial year at 69.44. The growth of India's manufacturing sector to 8.3% from 5.7% in 2017-18 reflected a rebound from transitory shocks (the currency exchange initiative and implementation of the GST), with strengthening investments and robust private consumption. India is expected to grow at 7.3% in FY2019-20, benefiting from ongoing structural reforms. (Source: CSO, Fitch, Economic Times, Business Standard, IBEF, Business Today, India Today, IMF)

Steel review

Global steel demand may reach 1,735 million tonne (MT) in 2019, a rise of 1.3% over 2018. In 2020, the demand is projected to grow 1% to 1,752 MT. In developed economies, steel demand grew by 1.8% in 2018 following a resilient 3.1% growth in 2017. Due to deteriorating trade environment, demand is further expected to decelerate to 0.3% in 2019 and 0.7% in 2020. Steel demand in emerging economies, excluding China, is expected to grow 2.9% and 4.6% in 2019 and 2020, respectively. (Source: Business Standard)

India is the world's second largest steel producer. The country is slated to surpass USA to become the world's second largest steel consumer in 2019. Steel consumption is expected to grow 7.1% year-on-year to 102.8 MT in 2019. The

Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100% Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and March 2019, inflow of US\$ 11.30 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI). India's per capita consumption of steel grew to 68.9 kgs, during 2017-18. National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31. (Source: *ibef.org*)

Growth drivers

Road construction: The highway network in the country is expected to cover 50,000 kilometres by 2019. All villages in India will be connected through a road network by 2019 under the Pradhan Mantri Gram Sadak Yojana. Growth in the country's road network is expected to accelerate home-building and the offtake of home-building products.

Real estate revival: India's real estate sector is expected to reach a market size of US\$180 billion by 2020 and US\$1 trillion by 2030 from US\$ 120 billion in 2017, accounting for 13% of the country's GDP by 2025. Services sectors such as IT and ITeS, retail, consulting and e-commerce registered high demand for office space, driving real estate sector growth in India. At present, India's Grade-A office real estate stands at a massive 530 million square feet and this is likely to surpass 700 million square feet by 2022.

Urban development: Around 40% of India's population would be urbanised by 2030 compared to 32% today. Within India's urban clusters, initiatives such as Housing for All and Smart Cities will drive growth, driven by the Central Government's flagship PMAY scheme that aims to build 20 million urban homes and 30 million rural houses by 2022.

Urbanisation and nuclearization: >34% of India's current population lives in urban areas, rising by 3% since 2011. While large urban agglomerations (population of >50 lac) have remained mostly constant since 2005, smaller clusters have risen significantly (from 34 to 50 clusters with populations of 10-50 lac). India's urban population is expected to increase to 814 million by 2050, resulting in a corresponding increase in housing needs.

Population growth: India is the second-most populous country in the world, adding around 15 million people to its population each year, enhancing requirement for infrastructure.

Infrastructure and Automobile: Steel demand in India for long steel products increased 9.6% and demand for flat products, which largely emanates from the automobile sector, is up 4.8%. (Source: DIPP, RBI Handbook of Statistics on Indian Economy, PIB, Union Budget 2018-19, FICCI and *livemint.com*)

Climbing to the next level

Our Company is uniquely situated within the steel industry space. Our vision has led us to follow an unconventional path that we believe offers sustainable revenues and a competitive advantage which we will continue to grow.

While we have made significant strides with our operations, we realise optimal performance is always a dynamic one with moving target. We are applying methods and best practices from our peers at our plant. We have become synonymous with our products and continue to entrench ourselves which is why diverse customers are eager to buy our products owing to its quality and cost benefits.

Brand "Adhunik"

The rapidly growing diversity and choices in the market have increased the role of brand leadership which has significant positive correlation with product and service quality. We are deeply committed to strengthen the "Adhunik" brand further and towards this we have ensured strict quality compliance for each of the products besides developing strong work ethics. We are also taking advertising and on-ground marketing initiatives to enhance the brand's recognition and popularity among the target customers. This approach has helped us enormously to achieve our set goals. We have planned to prudently utilize every resource in the new financial year so as to achieve the set targets and create new demands in the market.

Sustainability

We care about the environment and believe in an ecological balance to protect our natural resources. We have taken initiatives in areas of emission management, energy efficiency to minimise its environmental impact. Several energy conservation measures have been taken through periodic energy review task and proactive maintenance of equipment.

Prospects

India is expected to report steady growth over the foreseeable future. This growth will be manifested in rising disposable incomes and increased aspirations. Given this context, I am pleased to state that "Adhunik" is the right company in the right verticals at the right time. My optimism stems from the fact that we have created a strong foundation and a rich repository of sectoral experience.

We will continue to focus on enhancing efficiency, optimising costs and increasing liquidity and preparing for the big leap when the sector rebounds. We are optimistic that this will translate into superior margins, returns on capital employed and market capitalization, enhancing value in the hands of all those who own shares in our company.

With warm regards,

Sincerely,

Mahesh Kumar Agarwal

Chairman

28th May, 2019

Board's Report

Dear Members,

Your Directors take pleasure in presenting the Fortieth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS:

The summarized financial performance of your Company for the financial year ended 31st March, 2019 is as under:

(₹ in Lakhs)

Particulars	Year ended	
	31 st March, 2019	31 st March, 2018
Revenue from Operations	67,041.46	48,715.94
Other Income	62.57	71.63
Total Revenue	67,104.03	48,787.57
Earning Before Interest, Depreciation and Taxes (EBIDTA)	1,790.08	2,581.44
Depreciation and Amortization Expenses	365.99	367.59
Finance Costs	892.48	1,516.16
Profit Before Tax	531.61	697.69
Total Tax expense	150.16	211.60
Profit After Tax	381.45	486.09
Other Comprehensive Income	(1.28)	(0.62)
Total Comprehensive Income	380.17	485.47

(Note: The Company had prepared its financial statements in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of Companies Act, 2013 read with relevant rules thereunder and other accounting principles generally accepted in India.)

OPERATIONS:

Iron & Steel is indispensable for nation building and has a direct linkage with nation's health and growth. FY 2018-19 continued to be a very challenging year for global economy and in particular for iron and steel industry in India. There is an improvement in production as well as prices of finished goods as compared to last year and thus, revenue from operations significantly increased by 37.62% to ₹ 67,041.46 Lakhs but at the same time, prices of raw materials increased significantly. In spite of that, the Company had achieved EBIDTA of ₹ 1,790.08 Lakhs during the period under review. Overall, Profit before Tax decreased by 23.80% to ₹ 531.61 Lakhs of current year as compared to ₹ 697.69 Lakhs of last year.

STATE OF THE COMPANY'S AFFAIRS:

The FY 2018-19 has been overall a moderate year for the Company. The turnover of the Company had significantly increased on account of good demand of finished products as well as improvement in production. However, at the same time prices of raw materials also increased. Thus, overall margins get reduced in spite of good demand and increase in production. Your Company had managed the situation at its end and achieve the moderate result by taking appropriate decision by the management of the Company keeping in mind the prevailing market trends. The overall state of affairs of the Company keeping in mind the present market scenario is satisfactory.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION:

There is no such material change and commitment affecting the financial position of your Company which have occurred between the end of the financial year of your company to which the financial statements relate and the date of the report.

CHANGE(S) IN THE NATURE OF BUSINESS, IF ANY:

Your company is engaged in the activity of manufacturing of steel related rolled products such as TMT, Wire rods, H. B. Wire etc. and

providing of related services. Further, the Company is also involved in generation of electricity through Wind Power. Keeping in mind the present market scenario, the Company is of no intention to enter into activities as mentioned below:

- a) To invest, buy, sell, transfer, hypothecate, deal in and dispose of any shares, stocks, debentures whether perpetual or redeemable debentures, stocks, securities, properties, bonds any Government/ Local authority bonds & certificates.
- b) To receive money, deposits on Interest or otherwise and to land money and negotiate with or without security to such companies, firms or persons and on such conditions as may seem expedient and to guarantee the performance of contracts by any person, companies or firms provided that the Company shall not carry on the business of banking.
- c) To carry on the business of financing Industrial Enterprises whether by way of making loans or advances to or subscribing to the capital of private Industrial Enterprises in India.

Therefore the Company has altered the object clause of its Memorandum of Association by deleting therein the above said objects and obtained approval of shareholders through postal ballot on 29th June, 2018.

INDUSTRY SCENARIO AND OUTLOOK:

The Government of India is aiming to scale up steel production in the country to 300 million tonnes (Mt) by 2030. India produced 9.4 million tonnes (Mt) of crude steel in March, 2019 and bags second position in crude steel production, output down by 1.0% from March, 2018. The world's total crude steel production in March, 2019 stood at 155.0 million tonne (Mt), up 4.9 percent from corresponding period last year and India grabbed the second position. (Source: World steel Association).

India has enormous scope and untapped potential to increase steel consumption in almost all sectors, especially in automobiles, engineering industries and infrastructure development. The consumption of steel per capita in India is around 65 kg per year, much lower compared to the global average (235 kg), leaving significant headroom for growth. Growing investments for infrastructure, rapid growth in the industrial sector, increase in urban population, and strengthening of rural steel market can raise the country's per capita steel consumption considerably. India's GDP growth is likely to move higher in the coming years due to compulsive focus by policy makers for development of infrastructures & other sectors.

Your company is one of the major key players among the various players in the rolling mill industry in the Durgapur region of West Bengal. It operates with a vision to become industry leader in zone which inspires its stakeholders and a well-defined business plan with planned strategy give hope to achieve its vision.

DIVIDEND AND RESERVES:

In view of meeting capital requirements of the Company through ploughing back of profit in the business, the Directors of your Company are intend to retain the surplus profits in the business itself. Therefore, no dividend is being recommended.

During the period under review, no amount was transferred to General Reserve.

SHARE CAPITAL:

During the financial year under review, there is no change in the capital structure of the Company and accordingly the issued, subscribed and paid up share capital of your Company stood at ₹ 46,76,37,500/- (Rupees Forty Six Crores Seventy Six Lakhs Thirty Seven Thousand Five Hundred Only) comprising of 4,67,63,750 (Four Crores Sixty Seven Lakhs Sixty Three Thousand and Seven Hundred and Fifty) number of Equity shares of ₹10/- each fully paid up as on 31st March, 2019. The Company had not issued any equity shares with differential rights as to dividend, voting or otherwise.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES INDUSTRIAL RELATIONS:

During the financial year under review, industrial relations remained cordial. Employees' competencies and skills were enhanced by exposing them to several internal and external training programmes. Various measures were taken to improve motivation level of employees. Additional efforts are continued to be implemented with a view to obtain commitment and loyalty towards the organization.

CREDIT RATING:

The Company's credit rating ascribed by rating agency is given below:

Rating Agency	Instrument	Rating	Outlook	Effective from
India Ratings & Research Pvt. Ltd	Fund Based Limits	IND BB	Stable	With effect from 30/01/2019
	Non-Fund Based Limits	IND A4+		
	Fund Based Limits	IND B-	Stable	With effect from 02/04/2018
	Non-Fund Based Limits	IND A4		
	Long Term Loans and Fund Based and Non Fund Based Limits	IND D		At the beginning of the year.

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

Information as required under the provisions of sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the **Annexure-A**, which is annexed hereto and forms part of Board's Report.

DETAILS OF BOARD MEETINGS:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

During the year, seven Board meetings were held, details of which are given below. The maximum time gap between any two consecutive meetings did not exceed 120 days.

Date of the meeting	No. of Directors attended the meeting
16 th May, 2018	6(Six)
28 th May, 2018	6 (Six)
13 th August, 2018	6 (Six)
13 th November, 2018	5 (Five)
6 th December, 2018	6 (Six)
13 th February, 2019	6 (Six)
28 th March, 2019	5 (Five)

COMMITTEES OF BOARD:

There are currently five Committees of the Board as per Companies Act, 2013 and the same are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Management and Finance Committee

The details of composition of the Committees of Board of Directors are as under:-

a. Audit Committee

During the year under review, the Board of Director of your Company re-constituted the Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee had met four times i.e. on 28th May, 2018, 13th August, 2018, 13th November, 2018 and 13th February, 2019.

The details of composition of the Audit Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Asit Baran Dasgupta	Chairman
2.	Shri Mahesh Kumar Agarwal	Member
3.	Smt. Sonam Agarwal	Member
4.	Smt. Shilpi Modi*	Member
5.	Shri Chandra Shekhar Jalan **	Ex-Member

*Appointed w.e.f 06.12.2018

**Ceased w.e.f. 08.09.2018

All the recommendations made by the Committee are duly accepted and approved by the Board of Directors.

Vigil Mechanism / Whistle Blower Policy

In compliance with provisions of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism / Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. During the year under review, no personnel has been denied access to the Audit Committee. Further, the Vigil Mechanism/ Whistle Blower Policy have been uploaded on the website of the Company at www.adhunikindustries.com and may be accessed at the following web-link: <https://www.adhunikindustries.com/download/21526556637.pdf>

b. Nomination & Remuneration Committee

During the year under review, the Board of Directors of your Company re-constituted the Nomination and Remuneration Committee in accordance with the provision of Section 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Committee had met three times i.e. on 13th August, 2018, 6th December, 2018 and 28th March, 2019. The details of composition of the Nomination & Remuneration Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Smt. Sonam Agarwal	Chairman
2.	Smt. Shilpi Modi*	Member
3.	Shri Mahesh Kumar Agarwal	Member
4.	Shri Chandra Shekhar Jalan**	Ex-Member

* Appointed w.e.f. 06.12.2018

** Ceased w.e.f 08.09.2018

c. Corporate Social Responsibility Committee

The CSR philosophy of your Company is embedded in its commitment to all stakeholders, consumers, employees, environment and society while your Company's approach extends both to External community as well as to your Company's large and diverse internal employee base & their families. The Committee had approved the CSR policy and the Budget. The CSR policy is uploaded on Company's website at www.adhunikindustries.com and may be accessed at the following web-link: <https://www.adhunikindustries.com/download/21530079539.pdf>. Further, the Report on CSR Activities/ Initiatives is enclosed as **Annexure - B**.

During the financial year 2018-19, the Committee had met once i.e. on 28th May, 2018. The composition of the CSR Committee

formed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is as under:

Sl. No.	Name	Chairman/ Members
1.	Shri Mahesh Kumar Agarwal	Chairman
2.	Smt. Shilpi Modi*	Member
3.	Shri Mohan Lal Agarwal	Member
4.	Shri Chandra Shekhar Jalan**	Ex-Member

* Appointed w.e.f. 06.12.2018

** Ceased w.e.f. 08.09.2018

d. Stakeholders Relationship Committee:

The Committee had met once during the financial year 2018-19 on 16th November, 2018. The details of composition of the Stakeholders Relationship Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Mahesh Kumar Agarwal	Chairman
2.	Shri Mohan Lal Agarwal	Member
3.	Smt. Sonam Agarwal	Member

e. Management and Finance Committee:

During the year under review, no meetings of the Management and Finance Committee took place. The details of composition of the Management and Finance Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Jugal Kishore Agarwal	Chairman
2.	Shri Mahesh Kumar Agarwal	Member
3.	Shri Mohan Lal Agarwal	Member

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and based on the information provided by the Management, the Board of Directors report that:

- (i) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent except as otherwise stated in the Notes to Financial Statements so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts for the financial year ended March 31, 2019 on a 'going concern' basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD INDEPENDENCE:

Our definition of 'Independence' of Directors is derived from Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms above said provisions :-

- a) Shri Asit Baran Dasgupta (DIN: 02476594)
- b) Smt. Sonam Agarwal (DIN: 08054202)
- c) Smt. Shilpi Modi* (DIN: 02706881)
- d) Shri Chandra Shekhar Jalan** (DIN: 01023586)

*Appointed w.e.f. 06.12.2018

** Ceased w.e.f. 08.09.2018

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(7) of the Companies Act, 2013 as well as Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

DIRECTORS:

Shri Asit Baran Dasgupta (DIN: 02476594), Smt. Sonam Agarwal (DIN: 08054202) and Shri Chandra Shekhar Jalan* (DIN: 01023586) has furnished their individual declaration on 1st April, 2018 and Smt. Shilpi Modi (DIN: 02706881) who was appointed as an Non-Executive additional Independent Woman Director on 6th December, 2018 has furnished her declaration on 6th December, 2018 pursuant to Section 149(7) of the Companies Act, 2013 confirming their status as an Independent Director pursuant to provisions of Section 149(6) of the Companies Act, 2013.

The other Board of Directors of your company comprises of Shri Mohan Lal Agarwal (DIN: 01047906), Director (Non-Executive), Shri Mahesh Kumar Agarwal (DIN: 00507690), Director & Chairman (Non- Executive) and Shri Jugal Kishore Agarwal (DIN: 00227460), Managing Director (Executive).

In accordance with the provisions of Section 152 of the Act, the Rules prescribed thereunder and your Company's Articles of Association, Shri Mohan Lal Agarwal (DIN: 01047906) retires by rotation at the ensuing Annual General Meeting being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Shri Mohan Lal Agarwal (DIN: 01047906) at the ensuing Fortieth Annual General Meeting. Further, the present term of Mr. Asit Baran Dasgupta (DIN: 02476594) as an Independent Director is going to be expire by the conclusion of 40th Annual General Meeting of the Company in terms of the Ordinary Resolution passed by the members of the Company in the 35th Annual General Meeting. The Board of Directors recommends the re-appointment of Shri Asit Baran Dasgupta (DIN: 02477906) as an Independent Director at the ensuing Fortieth Annual General Meeting for further period of 5 years.

(*Shri Chandra Shekhar Jalan, Independent Director, ceased from the directorship of the Company w.e.f. 8th September, 2018 due to his death.)

KEY MANAGERIAL PERSONNEL (KMPs):

The Board of Directors had accepted the resignation of Shri Bikash Roy Chowdhury from the position of Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from close of business hours on 31st March, 2019. Further, based on the recommendation of the Nomination and Remuneration Committee, the Board had appointed Mr. Ajay Kumar Bhuwania as the new Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) in its Board meeting held on 28th March, 2019 with effect from 1st April, 2019.

Shri Jugal Kishore Agarwal, (DIN: 00227460) Managing Director, Shri Bikash Roy Chowdhury, Chief Financial Officer and Shri Bharat Agarwal, Company Secretary are the Whole-time Key Managerial Personnel (KMPs) of the Company as on Financial Year ending 31st March, 2019.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

Pursuant to provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) 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 Company's Remuneration Policy is available on the web link <https://www.adhunikindustries.com/download/21526556394.pdf>

The Remuneration Policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, guidelines for remuneration 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 appropriate manner.
- Independent Director shall be person of integrity and 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 achievement.
- Director should possess high level of personal and professional ethics, integrity and values. He / She should be able to balance the legitimate interest and concern of all the Company's stakeholder in arriving at decisions, rather than advancing the interest of a particular constituency.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He/She must have the aptitude to critically evaluate management's working as a 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.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

During the year, your company has duly complied with the provision of section 186 of the Companies Act, 2013. The particulars of loans given, investments made, guarantees given under the provisions of Section 186 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 are provided in the notes to the Financial Statements.

DETAILS RELATING TO MATERIAL VARIATIONS:

Disclosures regarding material variations as specified in Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not required to be furnished as no such event took place during the year.

RISK MANAGEMENT:

Risk management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has a well-defined process to ensure risks are identified and steps to treat them are put in place at the right level in the management.

In terms of the requirements of the Companies Act, 2013 and Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has developed and implemented the Risk Management Policy. The Company has taken adequate measures to mitigate various risk encountered. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report which forms a part of this report.

HUMAN RESOURCE:

Company's industrial relations continued to be harmonious during the period under review. The human resource philosophy and strategy of your Company have been designed to attract and retain the best talent, creating a workplace environment that keeps employees engaged, motivated and encourages innovation. Your Company has qualified and talented human resources at all levels of operation. It has put concerted efforts for continuous learning and training to ensure that strong and credible leadership is developed.

SAFETY, HEALTH AND ENVIRONMENT:

The manufacture of steel involves steps that are potentially hazardous if not executed with due care. The Company maintains the highest safety standards within its operating units and is an ISO certified (ISO 9001:2015, 14001:2015 & 18001:2007) organization. Further, there is a team of professionals who conducts regular training programs to implement the concept of maintain safe operations among the employees and to educate the team on safety norms and procedures to be followed in an unfortunate situation. Our mission is to protect and enhance the well-being of our employees, visitors and partners. Safe working is non-negotiable.

CORPORATE SOCIAL RESPONSIBILITY:

In lines with the provisions of Section 135 of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) Policy for the development and benefit of the weaker section of the society and the same is approved by the CSR Committee and the Board of Directors of the Company. The CSR Policy of the Company provides a road map for its CSR activities. The purpose of CSR Policy is to devise an appropriate strategy and focus on its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfill its CSR objectives. As per the said policy, the Company follows the strategy of discharging its CSR responsibilities related to social service through various trusts/societies in addition to its own initiatives and donations made to other non-government organizations.

The CSR Policy has been uploaded on the Company's website at www.adhunikindustries.com and may be accessed at the link <http://www.adhunikindustries.com/download/21530079539.pdf>. Pursuant to the requirements under Section 135 of the Companies Act, 2013 and Rules made thereunder, a report on CSR activities and initiatives taken during the year in the prescribed format is given in **Annexure-B**, which is annexed hereto and forms part of the Board's Report.

The Company has been playing a pro-active role in the socio economic growth and has contributed to all spheres ranging from health, education, hygiene and empowerment of women, environment conservation etc. The Company becomes the part of some of the social programs in India, touching the lives of hundreds of people positively by supporting such programs. During the Year 2018-19, Company CSR activities are deployed through a NGO namely M/s. Friends of Tribal Society to promote education among children belonging to weaker section of the society.

PARTICULARS OF EMPLOYEES:

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the prescribed particulars of remuneration of employees pursuant to Section 134(3)(q) and Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, are given in **Annexure - C** to the Board's Report and forms part of this report.

RISK AND CONCERN:

Risk management is the continuing process to identify, analysis, evaluate and treat loss exposures to monitor risk control and financial resources to mitigate the adverse effects of loss. In today's complex business environment, effective risk management is critical to success of any business. The Company has a risk management team, which periodically evaluating the risks associated with the business and taking necessary initiatives to minimize its impact. This also helps the Company in taking business decisions with balanced risks and rewards comparison. The risk management framework ensures compliance with the requirements of relevant Regulations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FAMILIARIZATIONS PROGRAMME FOR IDs':

In terms of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a system of conducting the Familiarization Programme for Independent Director to familiarize them with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives. The said policy is uploaded on the Company's website at www.adhunikindustries.com and may be accessed at the link <https://www.adhunikindustries.com/menu-details.php?cat=corporate-governance&sub=familiarisation-programme-for-independent-directors>.

PREVENTION OF INSIDER TRADING:

Securities and Exchange Board of India (SEBI) had on January 15, 2015 notified SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. These regulations are further amended vide SEBI Notifications dated December 31, 2018 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and on January 21, 2019 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019.

Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "Regulations") requires a listed company to formulate a 'Code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons' towards achieving compliance with the Regulations, adopting minimum standards as set out in Schedule B of the Regulations, without diluting the provisions of the Regulations in any manner. Accordingly, in supersession of the previous Code of Conduct to Regulate, Monitor and Report Trading by Insiders, adopted by the Company, a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and immediate relatives of designated persons (the "Code") for Adhunik Industries Limited (the "Company") was framed and the same was adopted by the Board in its meeting dated 28th March, 2019 and shall come into force w.e.f. 1st April, 2019.

All Board of Directors and the designated employees have confirmed compliance with the applicable Code during the financial year.

The policy on the 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and immediate relatives of designated persons' is uploaded on the Company's website at www.adhunikindustries.com and may be accessed at the link <https://www.adhunikindustries.com/download/21554984796.pdf>

BOARD EVALUATION:

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to sub-section 3(p) of Section 134 of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc. The criteria for evaluation of Directors inter alia includes factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, achievements, understanding and awareness, integrity, ethics, value and openness.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors held on 13th February, 2019, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was also discussed in the board meeting at which the performance of the Board, its committees and individual directors was discussed. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Companies Act, 2013. The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATES COMPANIES:

The Company does not have any subsidiaries, joint ventures and associate companies. So, the required disclosure is not applicable to the Company.

DEPOSITS:

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

SEBI had passed an interim order on 21st September 2018 against the Company on the basis of certain "prima facie" observations in the matter of suspected shell companies and had advised the Company to submit their reply to the points contained in the Interim Order and also give an opportunity of personal hearing, if the Company wish to avail. The Company had filed its reply to the observations made in the Interim Order within the prescribed time. The Company had also requested SEBI to grant an opportunity of personal hearing in the matter and pursuant to that SEBI had granted the opportunity of personal hearing to the Company. During the course of said hearing, SEBI had sought certain additional documents from the Company which it had submitted within the prescribed time limit. The Company had not received any further communication from SEBI against additional submission made by it post hearing in the subject matter.

INTERNAL CONTROL AND AUDIT:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The CEO and CFO certification provided in the Annual Report discusses the adequacy of the Company's Internal Control System and Audit.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance

with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

AUDITORS AND AUDITOR'S REPORT:

STATUTORY AUDITORS

At the 37th Annual General Meeting (AGM) of the Company held on the 14th day of September, 2016, M/s Sudhir Kumar Jain & Associates, Chartered Accountants, having (Registration No. 318016E) allotted by The Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of the Company to hold office for a term of 5 (five) years from the conclusion of 37th AGM till the conclusion of the 42nd AGM of the Company subject to ratification of such appointment by the Members at every AGM.

The Company has received a letter from the Statutory Auditors pursuant to the provisions of Section 139 of the Companies Act, 2013 confirming that their appointment on such ratification will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for the said appointment.

The Companies Amendment Act, 2017 has omitted the requirement of ratification of the appointment of statutory auditors at every Annual General Meeting with effect from May 7, 2018. Hence the ratification of appointment of Statutory Auditors at the ensuing 40th Annual General Meeting is not required.

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 or adverse remark. Further, the Statutory Auditors have not reported any incident of fraud during the year under review.

COST AUDITORS

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, maintenance of cost records has been specified by the Central Government for your Company and such records are made and maintained by your Company as per the requirements of the Act. Further, your Company has appointed M/s. Dipak Lal & Associates, Cost Accountants (a Cost Audit Firm), as Cost Auditor of the Company w.e.f. 1st April, 2019 to 31st March, 2020 to carry out audit of cost records of the Company, who was also the Cost Auditor for the Financial year 2018-19. The remuneration proposed to be paid to them in Financial Year 2019-20 requires ratification by the shareholders of the Company. In view of this, your ratification for payment of remuneration to Cost Auditors is being sought at the ensuing Annual General Meeting. The report issued by the cost auditor for the Financial Year 2018-19 is self-explanatory and do not call for any further comments.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, the Board has appointed M/s. M R & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure- D** to this Report.

Board's comment on Secretarial Audit Report's Observations:

SEBI had passed an interim order on 21st September 2018 against the Company on the basis of certain "prima facie" observations in the matter of suspected shell companies and had advised the Company to submit their reply to the points contained in the Interim Order and also give an opportunity of personal hearing, if the Company wish to avail. The Company had filed its reply to the observations made in the Interim Order within the prescribed time. The Company had also requested SEBI to grant an opportunity of personal hearing in the matter and pursuant to that SEBI had granted the opportunity of personal hearing to the Company. During

the course of said hearing, SEBI had sought certain additional documents from the Company which it had submitted within the prescribed time limit. The Company had not received any further communication from SEBI against additional submission made by it post hearing in the subject matter.

The Board has also appointed M/s. M R & Associates, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2019-20.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

According to the provisions of Section 188 read with Section 2(76) of the Companies Act, 2013, all transactions entered with Related Parties during the financial year 2018-19 were on arm's length basis and were in the ordinary course of business.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to omnibus approval so granted along with a statement giving details of all related party transactions is placed before the Audit Committee.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.adhunikindustries.com and may be accessed at the link <http://www.adhunikindustries.com/download/21530079703.pdf>.

Your Directors draw attention of the members to Note 32 to the financial statement which sets out related party disclosures.

Moreover during the year under review the Company has entered into materially significant related party transactions and the relevant disclosure of information pursuant to Section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 has been shown in AOC-2, annexed herewith marked as **Annexure - E** to this report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company has transferred a sum of Rs. 68,000/- (Rupees Sixty Eight Thousand only) to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Act, being the dividend amount which was due & payable and remained unclaimed and unpaid for a period of 7 (seven) years, as provided in Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In accordance with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and in order to provide for the effective enforcement of the basic human right of gender equality and guarantee against sexual harassment and abuse, more particularly against sexual harassment at work places, your Company has constituted an Internal Complaint Committee and adopted a policy on Prevention of Sexual Harassment at Workplace. The policy aims to provide the effective enforcement of basic human right of gender equality and guarantee against sexual harassment and abuse. Your Company hereby declare that it has complied with provisions relating to the constitution of Internal Complaints Committee of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year, there was no complaint lodged with the Internal Complaint Committee, formed under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return for the financial year ended on March 31, 2019 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013, is marked as **Annexure - F** which is annexed hereto and forms part of the Board's Report and is also uploaded on the website of the Company at <http://www.adhunikindustries.com/download/21565353905.pdf>.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE:

Your Directors are pleased to report that your Company strives to ensure that best corporate governance practices are identified, adopted and consistently followed. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder's value.

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section titled Report on Corporate Governance has been included in this Annual Report along with the certificate obtained from M/s. MR & Associates, Practicing Company Secretaries Firm certifying compliance with the conditions of corporate governance as stipulated under relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and annexed with the report on Corporate Governance.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards as issued and notified by Institute of Company Secretaries of India.

FORWARD LOOKING AND CAUTIONARY STATEMENTS:

Certain statement in this Report concerning to our growth prospects, particularly those which relate to Management Discussion & Analysis Report, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results could however differ materially from those expressed or implied. The risk and uncertainties relating to these statements include, but are not limited to, important factors that could make a difference to the Company's operations such as global and domestic demand-supply conditions, finished goods prices, raw materials and fuels cost and availability, transportation costs, changes in Government regulations and tax structure, economic developments within India and other factors such as litigation and industrial relations. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.

APPRECIATION:

Your Directors place on record their sincere appreciation for significant contribution made by employees of the Company at each level, through their dedication, hard work and commitment. The Board places on record its appreciation for the continued co-operation and support extended to the Company by various Banks, Financial Institutions, Stock Exchanges, NSDL and CDSL, Vendors, Customers Consultants, Central and State Government bodies, Dealers, and other Business Associates. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and, above all, the shareholders.

For and on behalf of the Board

Registered office

14 Netaji Subhas Road
2nd Floor, Kolkata - 700001
Date: 28.05.2019

Sd/-

Mahesh Kumar Agarwal

Chairman
(DIN: 00507690)

Sd/

Jugal Kishore Agarwal

Managing Director
(DIN: 00227460)

Annexures to the Board's Report

Annexure - A

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Accounts) Rules, 2014:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY

i) Energy conservation measures taken or impact on conservation of energy

Energy conservation dictates how efficiently a Company can conduct its operations. ALL has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change.

Your Company regularly reviews measures to be taken for energy conservation, consumption and its effective utilization. Some of the energy conservation initiatives taken by the Company during the year are given below:

- The conservation of energy is a continuous exercise. Trend of energy consumption is regularly monitored and remedial measures are initiated to improve energy efficiency.
- Preventing wastage/minimization of energy usage by relentless optimization of process parameters to achieve lower values of energy consumption.
- Use of latest energy efficient technology like high efficiency VFD based motors, inverter based air conditioners and drives.
- Replaced old conventional light fittings with latest generation CFL and LED light fittings in the operational and official floors, thus, power consumption is reduced.
- Rationalization of load on transformer.
- Maximum use of natural light in day time by placing transparent roof and side glass windows.
- Studying available potential of recovered energy from various sources and doing a cost benefit analysis of practices required.

ii) Steps in utilization of alternate sources of energy

The Company is exploring the ways and ideas through its efficient technical team that how it can use the alternate sources of energy in the energy intensive production line in place of conventional sources of energy, its viability and cost effectiveness in relation to the production cost of the products produced by the Company.

iii) Capital investment on energy conservation equipments

No capital investment on energy conservation equipments incurred by the Company during the financial year ended March 31, 2019.

B. TECHNOLOGY ABSORPTION

i) The efforts made by the Company towards technology absorption during the year under review are as under:

- During the year, your Company has made constant efforts to improve process, design and planning across all manufacturing sections;
- Installation of various machine based testing system to check the quality of the product produced.

ii) Adhunik Industries Limited finished products are always set a reputable standard in the market in comparison to its peers. With the adoption of various advanced methodology in the production process, will help the Company to reduce its cost of production and the quality and durability of the products are also improved.

- iii) The Company had not imported any foreign technology during the last three years.
- iv) The Company had not incurred any major expenditure which can specifically appropriated to Research and Development work.
- v) Worked on increasing the productivity in Rolling Mill within the existing capacity.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned and outgo	2018-19	2017-18
Foreign Exchange Inflow (₹ in Lakhs)	148.42	1,838.30
Foreign Exchange Outgo (₹ in Lakhs)	2.54	78.23

For and on behalf of the Board

Registered office

14 Netaji Subhas Road
 2nd Floor, Kolkata - 700001
 Date: 28.05.2019

Sd/-

Mahesh Kumar Agarwal
Chairman
(DIN: 00507690)

Sd/

Jugal Kishore Agarwal
Managing Director
(DIN: 00227460)

Annexure-B

Report on Corporate Social Responsibility (CSR) Activities / Initiatives

(Pursuant to Section 135 of the Act and Rules made thereunder)

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

The CSR policy framed by the CSR Committee (constituted by the Board) has been approved by the Board of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014.

In accordance with schedule VII of the Companies Act, 2013, for enhancing the stakeholders' value, generating economic value of the nation and working towards well-being of the society, the CSR Policy covers certain projects/activities such as supporting education, skill development, food services and health care for underprivileged people of the society.

The detailed CSR Policy is available on the website of the Company at www.adhunikindustries.com and the web link for the same is <https://www.adhunikindustries.com/download/21530079539.pdf>

2. The composition of CSR Committee is as under:

The composition of the CSR Committee formed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is as under:

Sl. No.	Name of Director	Category	Profession
1	Shri Mahesh Kumar Agarwal	Non-Executive Director (Chairman)	Business
2	Shri Mohan Lal Agarwal	Non-Executive Director	Business
3	Smt. Shilpi Modi*	Independent Director	Business
4	Shri Chandra Shekhar Jalan**	Ex-Independent Director	Business

*Appointed w.e.f 06.12.2018

**Ceased w.e.f 08.09.2018

3. Average net profit of the Company for the last three financial years:

2015-16, 2016-17 and 2017-18 is ₹ 513 Lacs.

4. The prescribed CSR expenditure (two percent of the amount mentioned in item 3 above): ₹ 10.26 Lacs**5. Details of CSR spent during the financial year.**

Total amount to be spent for the financial year 2018-19: ₹ 10.26 Lacs

Amount spent during the year 2018-19 : ₹ 10.30 Lacs

Amount unspent, if any: Not applicable

Manner in which the amount spent during the financial year 2018-19 is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered clause no. (Cl.) of Schedule VII to the Companies Act, 2013, as amended	Projects or programs 1) Local area other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: i) Direct expenditure on projects or programs ii) Overheads	Cumulative expenditure upto the reporting period i.e. 2018-19	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
				₹ in Lacs	₹ in Lacs	₹ in Lacs	
I	Contribution to Skill development and Education	Schedule VII (ii)	Durgapur, Kolkata, West Bengal	10.20	10.22	10.22	Through implementing Agency i.e. Friends of Tribal Society
II	Supervision of CSR Activities	Overheads	Durgapur, Kolkata, West Bengal	0.06	0.08	0.08	Direct
TOTAL				10.26	10.30	10.30	

- 6. In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount:** Not Applicable
- 7. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Registered office
14 Netaji Subhas Road
2nd Floor, Kolkata - 700001
Date: 28.05.2019

Sd/-
Mahesh Kumar Agarwal
Chairman of the CSR Committee
(DIN: 00507690)

Sd/
Jugal Kishore Agarwal
Managing Director
(DIN: 00227460)

Annexure - C

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDED RULES, 2016:

Sr. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of employees of the Company for the financial year	Name of the Director	Ratio
		Shri Jugal Kishore Agarwal	23:1
		1. Apart from Managing Director, no director is in receipt of any remuneration from the Company. 2. Sitting Fees paid to the Directors have not been considered as remuneration. 3. Figures have been rounded off wherever necessary.	
2.	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year	Shri Jugal Kishore Agarwal	NIL
		Shri Bikash Roy Chowdhury	NIL
		Shri Bharat Agarwal	15.72%
3.	The percentage increase in the median remuneration of employees in the financial year	In the financial year, there was an increase of 165.96% in the median remuneration of employees.	
4.	The number of permanent employees on the rolls of Company	There were 166 permanent employees on the rolls of the Company as on March 31, 2019.	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	i) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2018-19 is 131.68 % ii) Average percentage increase in the salaries of managerial personnel in the financial year 2018-19: NIL	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.	

Statement containing list of top 10 employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company and Directors is furnished hereunder:

Sl. No.	Name	Designation / Nature of Duties	Remuneration Received (in ₹) (per annum)	Nature of Employment and other terms	Qualification	Experience (in years)	Age (in years)	Date of commencement of employment	Last employment held and Designation	% of Equity Shares held by the employee in the Company
1.	Mr. Jugal Kishore Agarwal	Managing Director	30,00,000	As per shareholder's Resolution	Graduate in Commerce and Law	36	69	30/11/2017	Adhunik Steels Limited as Executive	0.0002
2.	Mr. Ajay Kumar Bhuwania	GM-Finance & Accounts	20,53,001	Permanent	FCA, ICWA	22	42	01/06/2005	Tantia Construction Limited as General Manager	0.000

Sl. No.	Name	Designation / Nature of Duties	Remuneration Received (in ₹) (per annum)	Nature of Employment and other terms	Qualification	Experience (in years)	Age (in years)	Date of commencement of employment	Last employment held and Designation	% of Equity Shares held by the employee in the Company
3.	Mr. Chatar Singh	AGM- Production	15,72,000	Permanent	B.A.	36	57	08/11/2005	Usha Martin Limited as Manager	NIL
4.	Mr. Bikash Roy Chowdhury	CFO	15,00,000	Permanent	BE-PGDSM	43	74	01/04/2010	Adhunik Corporation Limited as Officer	NIL
5.	Arun Kumar Goswami	GM-Sales & Marketing	13,82,333	Permanent	BA (ENG. HONS.)	30	58	15/06/2018	Shree Sanyeeji Rolling Mills as AVP-Sales & Marketing	NIL
6.	Mr. Bharat Agarwal	Company Secretary	12,23,496	Permanent	FCA, CS	13	35	01/04/2010	Adhunik Corporation Limited as Manager	NIL
7.	Mr. Baljeet Singh	Assistant General Manager-Electrical	8,24,320	Permanent	B. Tech., MBA	28	50	04/09/2005	Usha Martin Limited as Senior Manager-Electrical	NIL
8.	Mr. Ahmed Saif	Officer-Marketing	8,07,648	Permanent	B. Sc. (Hons.), MBA-Marketing	23	52	01/03/2014	Shyam Metaliks Limited as Manager-Public Relation (Marketing)	NIL
9.	Mr. Priyabrata Chatterjee	Senior Manager-Marketing	7,63,056	Permanent	B. Com (Hons.), MBA-Marketing	29	52	01/01/2010	Shyam Steel Industries Limited as Manager-Marketing	NIL
10.	Mr. Subrata Thakur	Senior Accountant	6,96,944	Permanent	B. Com	18	48	01/04/2005	Adhunik Steels Limited as Accountant	NIL

Notes:

- 1) The employees have adequate experience to discharge responsibilities assigned to them.
- 2) None of the above mentioned persons are relatives of Directors of the Company except Mr. Jugal Kishore Agarwal who is the elder brother of Mr. Mohan Lal Agarwal and Mr. Mahesh Kumar Agarwal.

For and on behalf of the Board

Registered office

14 Netaji Subhas Road
2nd Floor, Kolkata - 700001
Date: 28.05.2019

Sd/-
Mahesh Kumar Agarwal
Chairman
(DIN: 00507690)

Sd/
Jugal Kishore Agarwal
Managing Director
(DIN: 00227460)

Annexure - D

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members,
ADHUNIK INDUSTRIES LIMITED
14, N. S. Road, 2nd Floor,
Kolkata-700001
West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADHUNIK INDUSTRIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company 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, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2019 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:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - i) The Companies Act, 2013 (the Act) amendments thereof and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.

I further report that, there were no actions/ events in pursuance of;

 - (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- a) Factories Act, 1948,
- b) Industrial Dispute Act, 1947,
- c) Payment of Wages Act, 1936 and other applicable labour laws,
- d) Environment (Protection) Act, 1986 and other environment laws,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that *during the audit period, SEBI had passed an interim order on 21st September 2018 against the Company on the basis of certain "prima facie" observations and had advised the Company to submit their reply to the points contained in the Interim Order and also give an opportunity of personal hearing, if the Company wish to avail. As informed by the management of the Company, the Company had filed its reply to the observations made in the Interim Order within the prescribed time and also requested SEBI to grant an opportunity of personal hearing in the matter and pursuant to that SEBI had granted the opportunity of personal hearing to the Company. During the course of said hearing, SEBI had sought certain additional documents from the Company which it had submitted within the prescribed time limit. Further as informed by the management of the Company, they have not received any further communication from SEBI against additional submission made by them post hearing in the subject matter.*

We further report that during the audit period the Company had obtained approval of shareholders by way of passing Ordinary / Special resolution at the Annual General Meeting of the Company held on 26.09.2018 for;

- i. appointment of Mrs. Sonam Agarwal as an Independent Women Director of the company for a term of 5(five) consecutive years w.e.f. 12th February, 2018 to 11th February, 2023.
- ii. continuation of appointment of Mr. Asit Baran Dasgupta as Non-Executive Independent Director upto the expiry of his tenure i.e. till conclusion of the 40th AGM

We further report that during the audit period, the Company had also obtained approval of shareholders by way of passing Ordinary / Special resolution on 29.06.2018 by way of Postal Ballot for;

- i. alteration /deletion of the Object Clause of Memorandum of Association of the Company.

- ii. alteration of the liability Clause of Memorandum of Association of the Company.
- iii. alteration and adoption of Articles of Association of Company in conformity with the Companies Act, 2013.
- iv. approval/ ratification of related party transactions entered into by the Company with related party during FY 17-18.
- v. approval of related party transactions for next 5 (five) financial years commencing from F.Y. 2018-19 to FY-2022-23.

This Report is to be read with our letter of even date which is annexed **"Annexure A"** and forms an Integral Part of this Report.

For MR & Associates

Company Secretaries

Sd/-

[M R Goenka]

Partner

FCS No.:4515

C P No.:2551

Place : Kolkata

Date : 28.05.2019

"ANNEXURE – A"
(TO THE SECRETARIAL AUDIT REPORT
For the Financial year ended 31st March, 2019)

To,

The Members

ADHUNIK INDUSTRIES LIMITED
14, N. S. Road, 2nd Floor,
Kolkata-700001
West Bengal

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MR & Associates

Company Secretaries

Sd/-

[M R Goenka]

Partner

FCS No.:4515

C P No.:2551

Place : Kolkata

Date : 28.05.2019

Annexure - E
Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2018-19.
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
1	Adhunik Corporation Limited (Enterprise over which KMP/ Shareholders/ Relatives have significant influence)	Purchase of Raw Materials & Sale of Finished Goods / By-Product	FY 2018-19	Purchase of Billets and sale of Misroll, Wastage, End-cutting etc. at arm's length basis (For details of amount of transactions during the year refer, Note no. 32 (b) of Audited Financial Statements.)
2	Adhunik Alloys & Power Limited (Enterprise over which KMP/ Shareholders/ Relatives have significant influence)	Purchase of Raw Materials & Sale of Finished Goods	FY 2018-19	Purchase of Billets and sale of Wire Rods. (For details of amount of transactions during the year, refer Note no. 32 (b) of Audited Financial Statements.)

Notes:

- Shareholders' approval was taken by way of Ordinary Resolution passed through Postal Ballot on 29th June, 2018 considering that above contracts / transactions are material in nature as defined under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Approval of the Audit Committee was taken for all of these transactions.
- No advances have been paid or received against the transactions mentioned above.

For and on behalf of the Board

Registered office

14 Netaji Subhas Road
2nd Floor, Kolkata - 700001
Date: 28.05.2019

Sd/-

Mahesh Kumar Agarwal

Chairman

(DIN: 00507690)

Sd/

Jugal Kishore Agarwal

Managing Director

(DIN: 00227460)

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

for the financial year ended on 31st March, 2019

Annexure-F

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L27100WB1979PLC032200
2	Registration Date	23-08-1979
3	Name of the Company	ADHUNIK INDUSTRIES LIMITED
4	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY / LIMITED BY SHARES
5	Address of the Registered office & contact details	14, NETAJI SUBHAS ROAD 2ND FLOOR KOLKATA-700 001 Tel: +91 33 2243 4355 Fax: +91 33 2242 8551
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor Kolkata-700 001. Tel: +91 33 2243 5809/5029 Fax: +91 33 2248 4787

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Iron & Steel	241- Manufacture of basic Iron & Steel	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	32,31,050	-	32,31,050	6.91%	32,31,050	-	32,31,050	6.91%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3,18,23,750	-	3,18,23,750	68.05%	3,18,23,750	-	3,18,23,750	68.05%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	3,50,54,800	-	3,50,54,800	74.96%	3,50,54,800	-	3,50,54,800	74.96%	-
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI's	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	3,50,54,800	-	3,50,54,800	74.96%	3,50,54,800	-	3,50,54,800	74.96%	-
B. Public Shareholding									
1. Institutions									
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)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	71,77,881	-	71,77,881	15.35%	71,77,935	-	71,77,935	15.35%	0.00%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,38,176	1	5,38,177	1.15%	4,35,446	1	4,35,447	0.93%	-0.22%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	34,39,512	-	34,39,512	7.36%	35,71,597	-	35,71,597	7.64%	0.28%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Non Resident Indians	728	-	728	0.00%	2,043	-	2,043	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	5,52,652	-	5,52,652	1.18%	5,21,928	-	5,21,928	1.12%	-0.07%
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	1,17,08,949	1	1,17,08,950	25.04%	1,17,08,949	1	1,17,08,950	25.04%	-
Total Public (B)	1,17,08,949	1	1,17,08,950	25.04%	1,17,08,949	1	1,17,08,950	25.04%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,67,63,749	1	4,67,63,750	100.00%	4,67,63,749	1	4,67,63,750	100.00%	-

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mahesh Kumar Agarwal	5,24,000	1.12%	-	100	0.00%	-	-1.12%
2	Manoj Kumar Agarwal	5,16,550	1.10%	-	100	0.00%	-	-1.10%
3	Ghanshyam Das Agarwal	5,10,500	1.09%	-	100	0.00%	-	-1.09%
4	Jugal Kishore Agarwal	4,94,500	1.06%	-	100	0.00%	-	-1.06%
5	Nirmal Kumar Agarwal	4,89,000	1.05%	-	100	0.00%	-	-1.05%
6	Mohan Lal Agarwal	4,41,500	0.94%	-	100	0.00%	-	-0.94%
7	Rita Agarwal	75,000	0.16%	-	75,000	0.16%	-	0.00%
8	Chandrakanta Agarwal	52,500	0.11%	-	52,500	0.11%	-	0.00%
9	Meena Agarwal	50,000	0.11%	-	5,60,400	1.20%	-	1.09%
10	Jugal Kishore Agarwal (HUF)	50,000	0.11%	-	50,000	0.11%	-	0.00%
11	Nirmal Kumar Agarwal (HUF)	27,500	0.06%	-	27,500	0.06%	-	0.00%
12	Vaibhav Agarwal	-	0.00%	-	5,23,900	1.12%	-	1.12%
13	Chirag Agarwal	-	0.00%	-	4,41,400	0.94%	-	0.94%
14	Aakarsh Agarwal	-	0.00%	-	4,88,900	1.05%	-	1.05%
15	Sachin Kumar Agarwal	-	0.00%	-	4,94,400	1.06%	-	1.06%
16	Sonika Agarwal	-	0.00%	-	5,16,450	1.10%	-	1.10%
17	RND Steels Ltd. (formerly Adhunik Steels Ltd.)	3,40,000	0.73%	-	3,40,000	0.73%	0.73%	0.00%
18	Mahananda Suppliers Ltd.	1,66,00,000	35.50%	-	1,66,00,000	35.50%	18.45%	0.00%
19	Sungrowth Share & Stocks Ltd.	1,48,83,750	31.83%	-	1,48,83,750	31.83%	31.83%	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mahesh Kumar Agarwal						
	At the beginning of the year	01-04-2018		5,24,000	1.12%	5,24,000	1.12%
	Changes during the year	24-08-2018	Transfer	(5,23,900)	-1.12%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
2	Jugal Kishore Agarwal						
	At the beginning of the year	01-04-2018		4,94,500	1.06%	4,94,500	1.06%
	Changes during the year	24-08-2018	Transfer	(4,94,400)	-1.06%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
3	Mohan Lal Agarwal						
	At the beginning of the year	01-04-2018		4,41,500	0.94%	4,41,500	0.94%
	Changes during the year	24-08-2018	Transfer	(4,41,400)	-0.94%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
4	Ghanshyam Das Agarwal						
	At the beginning of the year	01-04-2018		5,10,500	1.09%	5,10,500	1.09%
	Changes during the year	24-08-2018	Transfer	(5,10,400)	-1.09%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
5	Nirmal Kumar Agarwal						
	At the beginning of the year	01-04-2018		4,89,000	1.05%	4,89,000	1.05%
	Changes during the year	24-08-2018	Transfer	(4,88,900)	-1.05%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
6	Manoj Kumar Agarwal						
	At the beginning of the year	01-04-2018		5,16,550	1.10%	5,16,550	1.10%
	Changes during the year	24-08-2018	Transfer	(5,16,450)	-1.10%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
7	Meena Agarwal						
	At the beginning of the year	01-04-2018		50,000	0.11%	50,000	0.11%
	Changes during the year	24-08-2018	Transfer	5,10,400	1.09%	5,60,400	1.20%
	At the end of the year	31-03-2019		5,60,400	1.20%	5,60,400	1.20%
8	Vaibhav Agarwal						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	24-08-2018	Transfer	5,23,900	1.12%	5,23,900	1.12%
	At the end of the year	31-03-2019		5,23,900	1.12%	5,23,900	1.12%
9	Sachin Kumar Agarwal						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	24-08-2018	Transfer	4,94,400	1.06%	4,94,400	1.06%
	At the end of the year	31-03-2019		4,94,400	1.06%	4,94,400	1.06%
10	Chirag Agarwal						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	24-08-2018	Transfer	4,41,400	0.94%	4,41,400	0.94%
	At the end of the year	31-03-2019		4,41,400	0.94%	4,41,400	0.94%

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
11	Aakarsh Agarwal						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	24-08-2018	Transfer	4,88,900	1.05%	4,88,900	1.05%
	At the end of the year	31-03-2019		4,88,900	1.05%	4,88,900	1.05%
12	Sonika Agarwal						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	24-08-2018	Transfer	5,16,450	1.10%	5,16,450	1.10%
	At the end of the year	31-03-2019		5,16,450	1.10%	5,16,450	1.10%

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Vrindavan Advisory Services LLP						
	At the beginning of the year	01-04-2018		43,34,606	9.27%	43,34,606	9.27%
	Changes during the year		Transfer	-	0.00%	43,34,606	9.27%
	At the end of the year	31-03-2019		43,34,606	9.27%	43,34,606	9.27%
2	Admirable Advisory Services LLP						
	At the beginning of the year	01-04-2018		13,64,882	2.92%	13,64,882	2.92%
	Changes during the year		Transfer	-	0.00%	13,64,882	2.92%
	At the end of the year	31-03-2019		13,64,882	2.92%	13,64,882	2.92%
3	Shri Deepak Hotilal Thakur						
	At the beginning of the year	01-04-2018		11,69,246	2.50%	11,69,246	2.50%
	Changes during the year		Transfer	-	0.00%	11,69,246	2.50%
	At the end of the year	31-03-2019		11,69,246	2.50%	11,69,246	2.50%
4	Shri Munesh Hotilal Thakur						
	At the beginning of the year	01-04-2018		10,88,575	2.33%	10,88,575	2.33%
	Changes during the year		Transfer		0.00%	10,88,575	2.33%
	At the end of the year	31-03-2019		10,88,575	2.33%	10,88,575	2.33%
5	Vedanta Resources Private Limited						
	At the beginning of the year	01-04-2018		7,00,000	1.50%	7,00,000	1.50%
	Changes during the year	18-05-2018	Transfer	(1,01,410)	-0.22%	5,98,590	1.28%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Changes during the year	01-06-2018	Transfer	48,105	0.10%	6,46,695	1.38%
	Changes during the year	15-06-2018	Transfer	(2,800)	-0.01%	6,43,895	1.38%
	Changes during the year	16-11-2018	Transfer	(54,000)	-0.12%	5,89,895	1.26%
	At the end of the year	31-03-2019		5,89,895	1.26%	5,89,895	1.26%
6	Sumpoorna Portfolio Limited*[@]						
	At the beginning of the year	01-04-2018		28,040	0.06%	28,040	0.06%
	Changes during the year	06-04-2018	Transfer	37,348	0.08%	65,388	0.14%
	Changes during the year	13-04-2018	Transfer	32,830	0.07%	98,218	0.21%
	Changes during the year	18-05-2018	Transfer	11,000	0.02%	1,09,218	0.23%
	Changes during the year	01-06-2018	Transfer	(17,265)	-0.04%	91,953	0.20%
	Changes during the year	08-06-2018	Transfer	(7,899)	-0.02%	84,054	0.18%
	Changes during the year	15-06-2018	Transfer	10,000	0.02%	94,054	0.20%
	Changes during the year	22-06-2018	Transfer	(23,155)	-0.05%	70,899	0.15%
	Changes during the year	29-06-2018	Transfer	4,000	0.01%	74,899	0.16%
	Changes during the year	06-07-2018	Transfer	14,891	0.03%	89,790	0.19%
	Changes during the year	13-07-2018	Transfer	15,384	0.03%	1,05,174	0.22%
	Changes during the year	20-07-2018	Transfer	59,502	0.13%	1,64,676	0.35%
	Changes during the year	27-07-2018	Transfer	18,934	0.04%	1,83,610	0.39%
	Changes during the year	03-08-2018	Transfer	(3,179)	-0.01%	1,80,431	0.39%
	Changes during the year	10-08-2018	Transfer	2,619	0.01%	1,83,050	0.39%
	Changes during the year	17-08-2018	Transfer	(6,258)	-0.01%	1,76,792	0.38%
	Changes during the year	24-08-2018	Transfer	8,016	0.02%	1,84,808	0.40%
	Changes during the year	31-08-2018	Transfer	5,288	0.01%	1,90,096	0.41%
	Changes during the year	07-09-2018	Transfer	(2,250)	0.00%	1,87,846	0.40%
	Changes during the year	14-09-2018	Transfer	3,122	0.01%	1,90,968	0.41%
	Changes during the year	21-09-2018	Transfer	3,000	0.01%	1,93,968	0.41%
	Changes during the year	28-09-2018	Transfer	(1,60,000)	-0.34%	33,968	0.07%
	Changes during the year	05-10-2018	Transfer	1,17,604	0.25%	1,51,572	0.32%
	Changes during the year	12-10-2018	Transfer	(43,545)	-0.09%	1,08,027	0.23%
	Changes during the year	19-10-2018	Transfer	(68,076)	-0.15%	39,951	0.09%
	Changes during the year	26-10-2018	Transfer	14,529	0.03%	54,480	0.12%
	Changes during the year	02-11-2018	Transfer	68,215	0.15%	1,22,695	0.26%
	Changes during the year	09-11-2018	Transfer	1,233	0.00%	1,23,928	0.27%
	Changes during the year	16-11-2018	Transfer	32,615	0.07%	1,56,543	0.33%
	Changes during the year	23-11-2018	Transfer	19,174	0.04%	1,75,717	0.38%
	Changes during the year	30-11-2018	Transfer	27,992	0.06%	2,03,709	0.44%
	Changes during the year	07-12-2018	Transfer	40,345	0.09%	2,44,054	0.52%
	Changes during the year	14-12-2018	Transfer	6,295	0.01%	2,50,349	0.54%
	Changes during the year	21-12-2018	Transfer	16,934	0.04%	2,67,283	0.57%
	Changes during the year	28-12-2018	Transfer	69,029	0.15%	3,36,312	0.72%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Changes during the year	31-12-2018	Transfer	3,775	0.01%	3,40,087	0.73%
	Changes during the year	04-01-2019	Transfer	5,196	0.01%	3,45,283	0.74%
	Changes during the year	11-01-2019	Transfer	36,106	0.08%	3,81,389	0.82%
	Changes during the year	18-01-2019	Transfer	17,588	0.04%	3,98,977	0.85%
	Changes during the year	25-01-2019	Transfer	61,263	0.13%	4,60,240	0.98%
	Changes during the year	01-02-2019	Transfer	(2,832)	-0.01%	4,57,408	0.98%
	Changes during the year	08-02-2019	Transfer	(6,419)	-0.01%	4,50,989	0.96%
	Changes during the year	15-02-2019	Transfer	23,767	0.05%	4,74,756	1.02%
	Changes during the year	22-02-2019	Transfer	15,189	0.03%	4,89,945	1.05%
	Changes during the year	01-03-2019	Transfer	95,813	0.20%	5,85,758	1.25%
	Changes during the year	08-03-2019	Transfer	1,233	0.00%	5,86,991	1.26%
	Changes during the year	15-03-2019	Transfer	612	0.00%	5,87,603	1.26%
	Changes during the year	22-03-2019	Transfer	13,534	0.03%	6,01,137	1.29%
	Changes during the year	29-03-2019	Transfer	11,154	0.02%	6,12,291	1.31%
	At the end of the year	31-03-2019		6,12,291	1.31%	6,12,291	1.31%
7	Globe Capital Market Limited*						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	28-09-2018	Transfer	1,65,000	0.35%	1,65,000	0.35%
	Changes during the year	19-10-2018	Transfer	75,000	0.16%	2,40,000	0.51%
	At the end of the year	31-03-2019		2,40,000	0.51%	2,40,000	0.51%
8	Shri J K Prasad						
	At the beginning of the year	01-04-2018		1,19,100	0.25%	1,19,100	0.25%
	Changes during the year	08-06-2018	Transfer	(249)	0.00%	1,18,851	0.25%
	At the end of the year	31-03-2019		1,18,851	0.25%	1,18,851	0.25%
9	Shri Jivabhai Ambalal Patel						
	At the beginning of the year	01-04-2018		2,17,150	0.46%	2,17,150	0.46%
	Changes during the year	22-02-2019	Transfer	(50,000)	-0.11%	1,67,150	0.36%
	Changes during the year	29-03-2019	Transfer	(50,000)	-0.11%	1,17,150	0.25%
	At the end of the year	31-03-2019		1,17,150	0.25%	1,17,150	0.25%
10	Smt Poonam Gupta *						
	At the beginning of the year	01-04-2017		1,07,300	0.23%	1,07,300	0.23%
	Changes during the year		Transfer	-	0.00%	1,07,300	0.23%
	At the end of the year	31-03-2019		1,07,300	0.23%	1,07,300	0.23%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
11	Gist Minerals Technologies Limited #						
	At the beginning of the year	01-04-2018		3,79,460	0.81%	3,79,460	0.81%
	Changes during the year	10-08-2018	Transfer	(55,282)	-0.12%	3,24,178	0.69%
	Changes during the year	28-09-2018	Transfer	(1,00,000)	-0.21%	2,24,178	0.48%
	Changes during the year	23-11-2018	Transfer	(2,24,178)	-0.48%	-	0.00%
	At the end of the year	31-03-2019		-	0.00%	-	0.00%
12	Choice Equity Broking Private Limited #@						
	At the beginning of the year	01-04-2018		2,64,746	0.57%	2,64,746	0.57%
	Changes during the year	06-04-2018	Transfer	(4,020)	-0.01%	2,60,726	0.56%
	Changes during the year	13-04-2018	Transfer	10,084	0.02%	2,70,810	0.02%
	Changes during the year	20-04-2018	Transfer	(11,713)	-0.03%	2,59,097	-0.03%
	Changes during the year	04-05-2018	Transfer	3,086	0.01%	2,62,183	0.01%
	Changes during the year	11-05-2018	Transfer	(1,218)	0.00%	2,60,965	0.55%
	Changes during the year	18-05-2018	Transfer	94	0.00%	2,61,059	0.56%
	Changes during the year	25-05-2018	Transfer	48,038	0.10%	3,09,097	0.66%
	Changes during the year	01-06-2018	Transfer	11,180	0.02%	3,20,277	0.68%
	Changes during the year	08-06-2018	Transfer	(11,180)	-0.02%	3,09,097	0.66%
	Changes during the year	15-06-2018	Transfer	(68,709)	-0.15%	2,40,388	0.51%
	Changes during the year	22-06-2018	Transfer	719	0.00%	2,41,107	0.51%
	Changes during the year	29-06-2018	Transfer	(16,214)	-0.03%	2,24,893	0.48%
	Changes during the year	06-07-2018	Transfer	(18,353)	-0.04%	2,06,540	0.44%
	Changes during the year	13-07-2018	Transfer	1,879	0.00%	2,08,419	0.44%
	Changes during the year	20-07-2018	Transfer	(40,965)	-0.09%	1,67,454	0.35%
	Changes during the year	27-07-2018	Transfer	12,077	0.03%	1,79,531	0.38%
	Changes during the year	03-08-2018	Transfer	(29,776)	-0.06%	1,49,755	0.32%
	Changes during the year	10-08-2018	Transfer	(22,456)	-0.05%	1,27,299	0.27%
	Changes during the year	17-08-2018	Transfer	998	0.00%	1,28,297	0.27%
	Changes during the year	24-08-2018	Transfer	1,936	0.00%	1,30,233	0.28%
	Changes during the year	31-08-2018	Transfer	(11,196)	-0.02%	1,19,037	0.25%
	Changes during the year	07-09-2018	Transfer	60	0.00%	1,19,097	0.25%
	Changes during the year	14-09-2018	Transfer	(107)	0.00%	1,18,990	0.25%
	Changes during the year	21-09-2018	Transfer	(20)	0.00%	1,18,970	0.25%
	Changes during the year	28-09-2018	Transfer	29,804	0.06%	1,48,774	0.32%
	Changes during the year	05-10-2018	Transfer	257	0.00%	1,49,031	0.32%
	Changes during the year	12-10-2018	Transfer	(4,746)	-0.01%	1,44,285	0.31%
	Changes during the year	19-10-2018	Transfer	(723)	0.00%	1,43,562	0.30%
Changes during the year	26-10-2018	Transfer	66	0.00%	1,43,628	0.30%	
Changes during the year	02-11-2018	Transfer	(32,886)	-0.07%	1,10,742	0.23%	
Changes during the year	09-11-2018	Transfer	(14,971)	-0.03%	95,771	0.20%	

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Changes during the year	16-11-2018	Transfer	(5,209)	-0.01%	90,562	0.19%
	Changes during the year	23-11-2018	Transfer	(11,192)	-0.02%	79,370	0.17%
	Changes during the year	30-11-2018	Transfer	(100)	0.00%	79,270	0.17%
	Changes during the year	07-12-2018	Transfer	(1,568)	0.00%	77,702	0.16%
	Changes during the year	14-12-2018	Transfer	178	0.00%	77,880	0.16%
	Changes during the year	21-12-2018	Transfer	(5,178)	-0.01%	72,702	0.15%
	Changes during the year	04-01-2019	Transfer	(3,218)	-0.01%	69,484	0.15%
	Changes during the year	11-01-2019	Transfer	(3,484)	-0.01%	66,000	0.14%
	Changes during the year	18-01-2019	Transfer	(4,155)	-0.01%	61,845	0.13%
	Changes during the year	25-01-2019	Transfer	(3,460)	-0.01%	58,385	0.12%
	Changes during the year	01-02-2019	Transfer	(3,516)	-0.01%	54,869	0.11%
	Changes during the year	08-02-2019	Transfer	(4,780)	-0.01%	50,089	0.10%
	Changes during the year	15-02-2019	Transfer	(3,770)	-0.01%	46,319	0.10%
	Changes during the year	22-02-2019	Transfer	(10,262)	-0.02%	36,057	0.07%
	Changes during the year	01-03-2019	Transfer	(36,057)	-0.08%	-	0.00%
	Changes during the year	08-03-2019	Transfer	998	0.00%	998	0.00%
	Changes during the year	15-03-2019	Transfer	(998)	0.00%	-	0.00%
	Changes during the year	22-03-2019	Transfer	192	0.00%	192	0.00%
	Changes during the year	29-03-2019	Transfer	808	0.00%	1,000	0.00%
	At the end of the year	31-03-2019		1,000	0.00%	1,000	0.00%
13	Artha Vrddhi Securities Limited #						
	At the beginning of the year	01-04-2018		1,14,024	0.24%	1,14,024	0.24%
	Changes during the year	11-05-2018	Transfer	(1,00,000)	-0.21%	14,024	0.03%
	Changes during the year	18-05-2018	Transfer	(10,000)	-0.02%	4,024	0.01%
	Changes during the year	08-06-2018	Transfer	(1,390)	0.00%	2,634	0.01%
	Changes during the year	15-06-2018	Transfer	(892)	0.00%	1,742	0.00%
	Changes during the year	22-06-2018	Transfer	250	0.00%	1,992	0.00%
	Changes during the year	17-08-2018	Transfer	(1,812)	0.00%	180	0.00%
	Changes during the year	28-09-2018	Transfer	3,102	0.01%	3,282	0.01%
	Changes during the year	29-09-2018	Transfer	2,500	0.01%	5,782	0.01%
	Changes during the year	05-10-2018	Transfer	(4,102)	-0.01%	1,680	0.00%
	Changes during the year	12-10-2018	Transfer	3,000	0.01%	4,680	0.02%
	Changes during the year	09-11-2018	Transfer	1,500	0.00%	6,180	0.02%
	Changes during the year	01-02-2019	Transfer	60,000	0.13%	66,180	0.15%
	At the end of the year	31-03-2018		66,180	0.14%	66,180	0.14%

** Not in the list of Top 10 shareholders as on 01-04-2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2019.

Ceased to be in the list of Top 10 shareholders as on 31-03-2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2018

@ Consolidated holding taken

+ The above information is based on the weekly beneficiary position received from Depositories.

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Shri Jugal Kishore Agarwal						
	At the beginning of the year	01-04-2018		4,94,500	1.06%	4,94,500	1.06%
	Changes during the year	24-08-2018	Transfer	(4,94,400)	-1.06%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
2	Shri Mohan Lal Agarwal						
	At the beginning of the year	01-04-2018		4,41,500	0.94%	4,41,500	0.94%
	Changes during the year	24-08-2018	Transfer	(4,41,400)	-0.94%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%
3	Mahesh Kumar Agarwal						
	At the beginning of the year	01-04-2018		5,24,000	1.12%	5,24,000	1.12%
	Changes during the year	24-08-2018	Transfer	(5,23,900)	-1.12%	100	0.00%
	At the end of the year	31-03-2019		100	0.00%	100	0.00%

Note: No shares held by Shri Asit Baran Dasgupta, Smt. Sonam Agarwal, Smt. Shilpi Mopdi and Late Chandra Shekhar Jalan, all independent directors of the Company during the period under review. Further, no shares held by Shri Bikash Roychowdhury, CFO of the Company and Shri Bharat Agarwal, Company Secretary of the Company during the period under review.

V. INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	72,49,02,543	-	-	72,49,02,543
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	72,49,02,543	-	-	72,49,02,543
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	(38,20,70,784)	-	-	(38,20,70,784)
Net Change	(38,20,70,784)	-	-	(38,20,70,784)
Indebtedness at the end of the financial year				
i) Principal Amount	34,28,31,759	-	-	34,28,31,759
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	34,28,31,759	-	-	34,28,31,759

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Shri Jugal Kishore Agarwal	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000
	(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	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	30,00,000	30,00,000
	Ceiling as per the Act	The remuneration is well within the limits prescribed under Companies Act, 2013.	

B. Remuneration to other Directors

(₹)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Shri Asit Baran Dasgupta	Shri Chandra Shekhar Jalan	Smt Sonam Agarwal	
	Fee for attending board committee meetings	90,000	40,000	90,000	220,000
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (1)	90,000	40,000	90,000	220,000
	Independent Directors	Smt. Shilpi Modi			
	Fee for attending board committee meetings	35,000			35,000
	Commission	-			
	Others, please specify	-			
	Total (2)	35,000			35,000
2	Other Non-Executive Directors	Shri Mohan Lal Agarwal	Shri Mahesh Kumar Agarwal		
	Fee for attending board committee meetings	70,000	80,000		150,000
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (3)	70,000	80,000		150,000
	Total=(1+2+3)	195,000	120,000	90,000	405,000
	Total Managerial Remuneration (Exclusive of Sitting Fees)				3,00,000
	Overall Ceiling as per the Act	The total managerial remuneration is well within the limits prescribed under Companies Act, 2013.			

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

(₹)

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name	Shri Bikash Roychowdhury	Shri Bharat Agarwal	
	Designation	CEO	CFO	CS	
1	Gross salary	NOT APPLICABLE			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		15,00,000	1,223,496	27,23,496
	(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		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission - as % of profit - others, specify		-	-	-
			-	-	-
5	Others, please specify	-	-	-	
	Total	-	15,00,000	1,223,496	27,23,496

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Registered office
 14 Netaji Subhas Road
 2nd Floor, Kolkata - 700001
 Date: 28.05.2019

Sd/-
Mahesh Kumar Agarwal
 Chairman
 (DIN: 00507690)

Sd/
Jugal Kishore Agarwal
 Managing Director
 (DIN: 00227460)

Management Discussion & Analysis Report

A. ECONOMIC OVERVIEW

i. INDIAN ECONOMY

The outlook for the Indian Steel Industry continues to be very bright. The sector has already risen to be the second-largest producer of crude steel in the world. The Indian Government's focus on infrastructure investments and noteworthy initiatives, like affordable housing, housing for all, power for all, 100 smart cities, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), expansion of railway networks, development of domestic ship-building industry, opening up of the defence sector for private participation and the anticipated growth in the automobile sector are expected to create significant demand for steel in the country in the next couple of years. Steel demand in India is expected to grow above 7% in the current as well as next year, according to the World Steel Association. India's finished steel consumption is anticipated to increase to 230 million tonnes (Mt) by 2030-31 from 90.68 million tonnes (Mt) in 2017-18 and the Demand would be supported by strong growth in domestic market.

The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. The steel sector has been a major contributor to India's manufacturing output.

India has been playing a vital role in the production of steel by the use of non-coking coal through Direct Reduction Technology. Considering the abundance of non-coking coal in the country and considering the possibility of utilizing it as a basic raw material in steel making, many sponge iron plants have been set up in different parts of our country with the initiative of Sponge Iron India Limited, a Government of India enterprise. India has also been playing a pioneering role in the production of steel by the recycling of scrap generated during iron and steel making leading to considerable savings in energy and natural resources. With these, there is ample scope for the reduction of production cost and thereby keeping selling price at a competitive rate to stand in the global market.

India produced 9.40 million tonne (Mt) of crude steel and bags second position in crude steel production. The world's total crude steel production in March, 2019 stood at 155.0 million tonnes (Mt), up 4.9 percent from corresponding period last year. (Source: World steel Association).

India is expected to become the world's largest producer of crude steel in the next 10 years, moving up from the second position. The sector has benefitted from the hike in prices and production, especially since the beginning of the millennium. It is general contention that the year 2019 would give more benefits to the steel industry in terms of demand, costs of production, market realisation and exports than what was experienced in the previous year.

ii. Global Economy

World Steel Association provided a comprehensive overview of steel industry activities, stretching from crude steel production to apparent steel use, from indications of global steel trade flows to iron ore production and trade. World Steel forecasts global steel demand will reach 1,735 million tonnes (Mt) in 2019. In 2020, it is forecast that global steel demand will grow by 1.0% to reach 1,752 million tonnes (Mt). In the next couple of years the global economic situation is expected to remain favourable with high confidence and strengthening recovery of investment levels in advanced economies. Benefitting from this, steel demand in both developed and developing economies is expected to show sustained growth momentum with risks relatively limited. However, possible adverse impact from rising trade tensions and the probable US and EU interest rate movements could erode this current momentum.

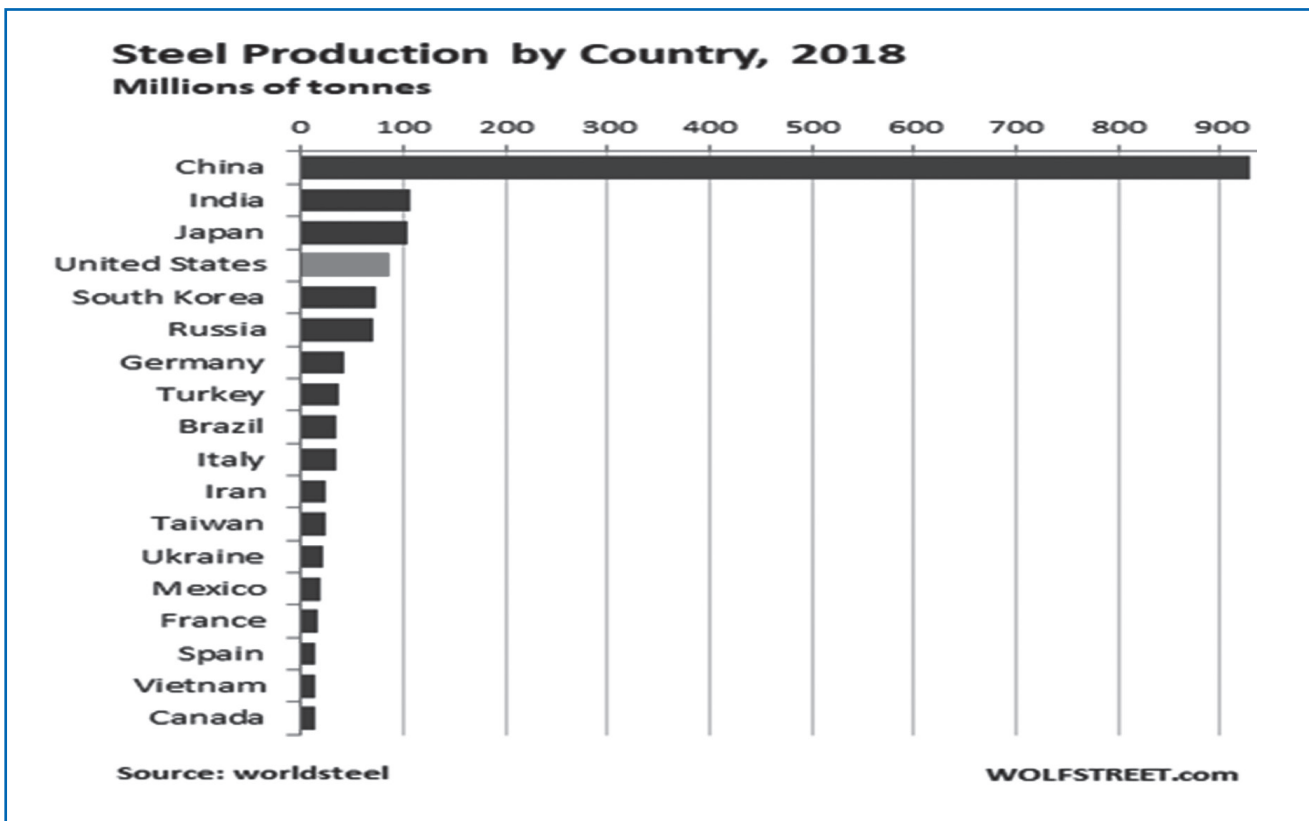
Steel demand in emerging economies, excluding China, is expected to grow 2.9% and 4.6% in 2019 and 2020, respectively. In developed economies, steel demand grew by 1.8% in 2018 following a resilient 3.1% growth in 2017. It is expected the demand to further decelerate to 0.3% in 2019 and 0.7% in 2020, reflecting a deteriorating trade environment.

The wide range of continuing infrastructure projects is likely to support growth in steel demand above 7% in both 2019 and 2020 in India. World crude steel production for the 64 countries reporting to the World Steel Association (world steel) was 155.0 million tonnes (Mt) in March 2019, a 4.9% increase compared to March 2018.

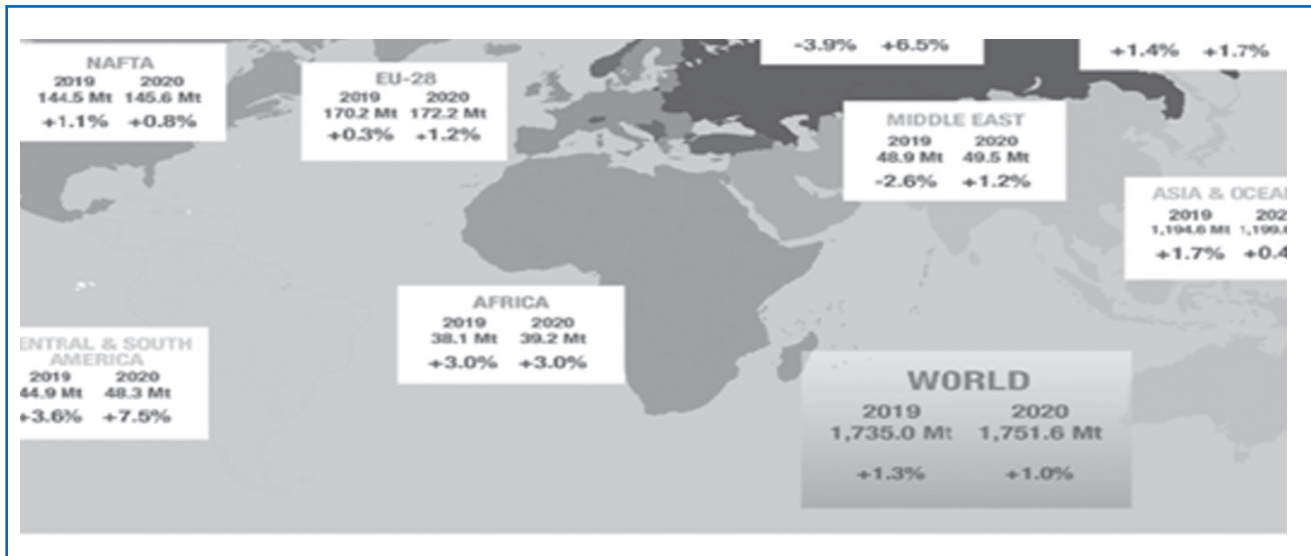
World crude steel production was 444.1 million tonnes (Mt) in the first three months of 2019, up by 4.5% compared to the same period in 2018. Asia produced 312.9 million tonnes (Mt) of crude steel, an increase of 7.0% over the first quarter of 2018. The EU produced 42.3 million tonnes (Mt) of crude steel in the first quarter of 2019, down by 2.0% compared to the same quarter of 2018. North America's crude steel production in the first three months of 2019 was 30.7 million tonnes (Mt), an increase of 4.0% compared to the first quarter of 2018.

China's crude steel production for March 2019 was 80.3 million tonnes (Mt), an increase of 10.0% compared to March 2018. India produced 9.4 million tonnes (Mt) of crude steel in March 2019, down 1.0% on March 2018. Japan produced 9.1 million tonnes (Mt) of crude steel in March 2019, unchanged from what it produced in March 2018. South Korea's crude steel production stood at 6.3 million tonnes (Mt), up 2.8% on March 2018.

In the EU, Italy's crude steel production for March 2019 was 2.3 million tonnes (Mt), down by 0.3% on March 2018. France produced 1.4 million tonnes (Mt) of crude steel in March 2019, an increase of 2.3% compared to March 2018. Spain produced 1.4 million tonnes (Mt) of crude steel in March 2019, an increase of 5.9% on March 2018. The US produced 7.8 million tonnes (Mt) of crude steel in March 2019, a 5.7% increase on March 2018. Crude steel production in Ukraine stood at 2.0 million tonnes (Mt) in March 2019, up 15.0% on March 2018. Brazil's crude steel production for March 2019 was 2.8 million tonnes (Mt), down by 8.6% on March 2018. Turkey's crude steel production for March 2019 was 3.0 million tonnes (Mt), down by 11.7% on March 2018.



The World Steel Association (Worldsteel) released its April 2019 Short Range Outlook (SRO). Worldsteel forecasts global steel demand will reach 1,735 million tonnes (Mt) in 2019. In 2020, the demand is projected to grow by 1.0% to reach 1,752 million tonnes (Mt).



(Source: World Steel Association)

B. INDUSTRY STRUCTURE AND DEVELOPMENTS

Iron and steel sector is the backbone of an economy. It is one of the primary vehicles of economic development of a country. The per capita production and consumption of steel is the index of the depth of a country's economic infrastructure. Increase in the use of iron and steel leads to infrastructural development and rapid industrialization of the country. According to Pandit Jawaharlal Nehru, "Steel is a symbol of strength of the economy and a portent of the glory of India of the future".

The steel ministry is working proactively to lay down the road map to achieve 300 million tons (Mt) by 2030 and we seem to be on the right track. The sector has benefitted from the hike in prices and production, especially since the beginning of the millennium. In a major achievement India has overtaken Japan to become the world's second largest producer of crude steel in February, 2018 according to Steel Users Federation of India (SUFI).

C. GOVERNMENT INITIATIVES

The Government of India is aiming to scale up steel production in the country to 300 million tonnes (Mt) by 2030. India produced 9.4 million tonnes (Mt) of crude steel in March, 2019 and bags second position in crude steel production, output down by 1.0% from March, 2018. The world's total crude steel production in March, 2019 stood at 155.0 million tonne, up 4.9 percent from corresponding period last year and India grabbed the second position. (Source: World steel Association).

- The Government of India has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement.
- The Government has approved the policy for providing preference to domestically manufactured iron and steel products on government procurement. The policy makes it mandatory to give preference to domestically manufactured iron and steel products (DMI&SP) in government procurement. The policy is applicable to all government tenders where price bid is yet to be opened.

- 100% FDI through the automatic route has been allowed and large infrastructure projects in the public-private partnership (PPP) mode are being formed.
- An export duty of 30 per cent has been levied on iron ore (lumps and fines) to ensure supply to domestic steel industry. (Source: India Brand Equity Foundation)
- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel. (Source :India Brand Equity Foundation)
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million). (Source :India Brand Equity Foundation)
- The Government of India raised import duty on most steel items twice, each time by 2.5 per cent and imposed measures including anti-dumping and safeguard duties on iron and steel items. (Source :India Brand Equity Foundation)

Your Company is engaged in the production of TMT bars and Wire Rods which are mainly used in the construction industry. As such, the outlook for your Company is closely linked to that of the steel, infrastructure and real estate industry and the demand for TMT and Wire Rods in particular is influenced by the price & availability of raw materials.

D. OPPORTUNITIES AND THREATS

The outlook for the global economy is mostly positive with growth picking up in the US, India and Southeast Asia, while several emerging markets are experiencing a deceleration in growth. However, the structural shift in the transitioning Chinese economy could cap this momentum.

Countries and businesses are becoming increasingly interdependent through trade, investment and financial systems across the world. The risks and opportunities in the steel business are getting larger in scale and impact, with their sources becoming more diverse and global. The businesses that ride the next wave of growth will be those that understand the trends and refine their strategies, business models and portfolios according to a truly global mind-set. The steel producers must find the right balance between globalization and customization.

The steel industry is faced with dwindling investments, financial market turbulence and geopolitical conflicts in many developing regions. The industry's low-growth outlook will persist until other developing regions of sufficient size and strength can support another major growth cycle. India has always been seen as a potential for significant steel market expansion. There have been various forecasts at different points, raising expectation of the steel industry and investors about growth prospects of the industry.

India has enormous scope and untapped potential to increase steel consumption in almost all sectors, especially in automobiles, engineering industries and infrastructure development. The consumption of steel per capita in India is around 65 kg per year, much lower compared to the global average (235 kg), leaving significant headroom for growth. Growing investments for infrastructure, rapid growth in the industrial sector, increase in urban population, and strengthening of rural steel market can raise the country's per capita steel consumption considerably. India's GDP growth is likely to move higher in the coming years due to compulsive focus by policy makers for development of infrastructures & other sectors.

E. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The company has identified iron & steel products as its sole operating segment and the same has been treated as primary segment. The Company is mainly involved in the production of steel related rolled products only.

F. FUTURE OUTLOOK

The Indian steel industry is riding high on the resurgent economy and rising demand for steel. Rapid rise in steel production

has resulted in India becoming the 2nd largest producer of crude steel and is all set to meet the target of reaching the 1st place in world steel production. The 12th five year plan of the government is envisaging an investment of \$ 1 trillion in infrastructure that will boost the demand for steel. Further, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 11 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, among others, shall also spiral the demand for steel in the country in the future years.

G. RISKS AND CONCERNS

The Company follows a well-defined and exhaustive risk management process, which is integrated with its operations. This enables the company to identify, categorize and prioritize operational, financial and strategic business risks. Across the organization, there are teams responsible for these processes who report to the management. The risks are prudently evaluated and necessary preventive steps or actions are taken to mitigate these probable risks.

In the context of the steel operations, although our country has rich and abundant resources of the key inputs for steel making, namely iron ore and coal, the mining sector in the country has witnessed severe obstacles in the past few years on account of regulatory and environmental issues, which has severely affected the development and opening up of new mines. The biggest challenges before any steel company remain to be the tie up of interrupted supplies of coal and iron ore on one hand and the fear of glut of cheap imports from countries like China, Korea and Japan on the other.

Risk Management comprises of three key components as below:

- i) Risk Identification
- ii) Risk assessment and its mitigation
- iii) Risk monitoring and its assurance

Your Company has identified the following aspects as the major risks for its operations:

i. **Industry Risk**

Demand is dependent on general economic conditions. A downturn can affect business and earnings. The low per capita steel consumption in India coupled with a large population base provides significant growth opportunities to the iron and steel industry. The urgent need towards infrastructure creation and surging consumption growth are visible opportunities that will drive iron and steel demand.

ii. **Raw Material Risk**

Inability of the Company to procure right quality and quantity of raw material at right price could affect business sustainability. Further, the requirements can partly be mitigated by supply from the group companies.

iii. **Regulatory Risk**

The Company's business could be affected by potential regulatory and judicial actions.

iv. **Operational Risk**

The Company's business is prone to high proportion of fixed costs and volatility in the prices of raw materials and energy. Mismatches between trends in prices of raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, could adversely affect its profitability. Further, the industry is highly cyclical and a decrease in steel prices may adversely impact its financial condition. The Company's operations and financial condition could be adversely affected if it is unable to successfully implement its growth strategies. However the Company aims to mitigate these risks through development of well-structured processes for effective project planning & management.

v. Health, Safety and Environment Risk

Your Company is firmly committed to conservation of natural resources; reduction of emissions and discharges to the environment and preservation of bio-diversity in all its operations.

The manufacture of steel involves steps that are potentially hazardous if not executed with due care. The Company maintains the highest safety standards within its operating units and is an ISO certified (ISO 9001:2008, 14001:2004 & 18001:2007) organization. Further, there is a team of professional who conducts regular training programs to implement the concept of maintain safe operations among the employees and to educate the team on safety norms and procedures to be followed in an unfortunate situation. This is progressively taking the Company towards achieving the target of Zero Accidents. Company continues to adopt best safety practices which have resulted into a reduced accident and severity rate.

H. KEY CHALLENGES

The constant fluctuation in price of raw materials and weak steel prices have put significant pressure on steel margins. However, steel manufacturers have been working hard to become competitive in other ways. They have been taking several steps to gain more control of their raw material pricing, while cost-cutting has led to production cuts in some regions. Several steel manufacturers are also investing a considerable amount of money into R&D for differentiating their products from other players in the market.

I. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets. The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them. The Statutory Auditors of your Company have opined in their report that your Company has adequate internal controls over financial reporting.

J. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial year 2018-19 underscores the improving fortunes of Indian steel makers as increasing government investments in infrastructure boosts demand for steel. Domestic steel prices have been surging amid strong demand from the infrastructure sector. Rising domestic steel prices and declining raw material prices have resulted in spreads. Several other factors, including the decline in exports from China, helped firm up prices over the past few months. The overall state of affairs of the Company keeping in mind the present market scenario is satisfactory.

K. HUMAN RESOURCES/INDUSTRIAL RELATIONS

As the Company is moving towards consumer centricity, it is vital to keep the people motivated and constantly aligned to the business vision. The Company's human resource philosophy is focused on empowering employees with the essential skills and endow them with aspirations.

Your Company considers its employees as the most valuable resource and ensures the strategic alignment of human resource practices to business priorities and objectives. Your Company strives to provide a conducive and competitive work environment for all its employees to excel and create new benchmarks of work culture, employee engagement, productivity, effectiveness, efficiency and customer delight. Human Resources Department ("HRD") works continuously for maintaining healthy working relationship with the workers and other staff members.

The underlying principle is that workers and staff at all levels are equally instrumental for attaining the Company's goals. Training programmes are regularly conducted to update their skills and apprise them of latest techniques. Senior Management is easily accessible for counselling and redressal of grievances if any. There are 166 number of permanent employees employed in your Company as on 31st March, 2019. Employees are your Company's most valuable asset and your Company's processes

are designed to empower employees and support creative approaches in order to create enduring value. The HR Department strives to maintain and promote harmony and co-ordination amongst workers, staff and members of the senior management.

L. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The FY 2018-19 has been overall a moderate year of the Company. The following critical ratios have changed beyond the 25% indicative threshold limit as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-

S. No.	Financial Ratios	Significant Changes	Explanation
1	Debtors Turnover	Improvement in Debtors Turnover	With the efficient marketing team and strong credit policy adopted by the management of the Company, it is able to reduce credit period normally offered to the debtors in its ordinary course of business. Thus, Debtors Turnover Ratio significantly improved.
2	Inventory Turnover	Improvement in Inventory Turnover	With the adoption of advanced materials procurement techniques as well as building of strong marketing network in the operations of the Company, it is able to optimum utilize its inventory in its ordinary course of business. Thus, Inventory Turnover Ratio significantly improved.
3	Current Ratio	Improvement in Current Ratio	With the significant improvement in debtors turnover and inventory management as well as significant reduction in the utilization of working capital limit and trade payables, Current ratio of the Company significantly improved.
4	Debt Equity Ratio	Improvement in Debt Equity Ratio	With the significant reduction in the utilization of working capital limit and at the same time by ploughing back of profit, the debt equity ratio of the Company is significantly improved.
5	Operating Profit Margin	Reduction in Operating Profit Margin	The turnover of the Company is significantly increased in FY 2018-19 as compared to FY 2017-18 due to increase in prices of finished products but the at the same time, prices of raw materials also increased. Thus, overall margin get reduced and operating profit margin is also reduced by more than 54% as compared to last year. But, with the drastic reduction of finance cost in the current financial year as compared to last financial year, Net Profit Margin is reduced only by 44% as compared to last year.
6	Net Profit Margin	Reduction in Net Profit Margin	

M. ENVIRONMENT & SAFETY

Your Company has always believed in an integrated approach for embedding environment in sustainable business goals & has continually focussed on an effective Environmental Management System. The Company has integrated the environmental concerns and decision making towards achieving its goals. It has taken effective steps to spread environmental awareness among its employees and has always encouraged them to work in an environmentally responsible manner to fulfill the environmental commitment of the Company towards its clients, customers & the public. Company has insisted on consistent improvement in the environmental performance by minimizing the social impact and damage to environment by periodically reviewing the environmental policy of the Company in light of its current and planned future activities. Some of the key areas towards fulfilment of its environmental responsibility are management of natural resources, energy management, carbon emission reduction, conservation of water resources & waste management. The Company is committed to provide a safe and healthy workplace to its employees by operating in compliance with all relevant environmental legislation and by adopting the environmental best practices.

N. CORPORATE SOCIAL RESPONSIBILITY

As a measure of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA) has now allowed service of documents to members also through electronic mode. As a measure to support such initiative, the Company would endeavour to send all its communications through electronic mode. The Company requests all its Members to be a part of this green

initiative and come forward and register their e-mail addresses so that all communications can flow with minimum footprint on the environment. The Company's initiatives towards fulfilling its Corporate Social Responsibility includes promoting education, developing primary health centres, women empowerment, contribution to livelihood, health & sanitation, recreation facilities and emphasis on plantation, generating employment opportunities for the local people etc.

O. CAUTIONARY STATEMENT

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied in the Report. Important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

P. DISCLOSURE OF ACCOUNTING TREATMENT

Indian Accounting Standard (abbreviated as Ind-AS) is the Accounting Standards adopted by your Company.

Report on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the Organization. Good Corporate Governance leads to long term shareholder's value and enhances interest of other stakeholders.

The Directors present the Company's Report on Corporate Governance pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulation") entered into with the BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Calcutta Stock Exchange Limited (CSE). The report containing the details of Corporate Governance systems and processes at Adhunik Industries Limited is as follows:

1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance is to achieve the highest level of transparency, accountability in all of its interactions with its stakeholders including shareholders, employees, lenders and the Government. We believe that Corporate Governance is voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. This is demonstrated in shareholder returns, good credit ratings, governance processes and an entrepreneurial performance focused work environment. The Company is always been pro-active to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development. The Company is committed to transparency in all its dealings and places high emphasis on business ethics.

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. The basic philosophy of Corporate Governance of the Company is to achieve business excellence and to dedicate itself for increasing long-term shareholders' value, keeping in view the needs and interests of all its stakeholders.

The key elements of good Corporate Governance include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect and a commitment to the organization. The Corporate Governance framework of the Company ensures that a timely and accurate disclosure is made on all material matters regarding the Company, including the financial statements, performance, ownership and governance of the Company. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to attract investors and enhance the trust and confidence of the stakeholders.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher levels. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management. At Adhunik Industries, our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels.

The Board of Directors and Management of Adhunik Industries commits themselves to:

- i. Enhancement of Shareholders Value through prudent and informed decision making in a transparent environment.
- ii. Continuous improvement in systems and processes and review of decision making process through implementation of modern control tools.
- iii. Ensure safety, health and environment management by making it an integral part of the Company's business strategy and to actively promote awareness of safety, health and environment issues throughout the Company and to our business partners.
- iv. Continuous improvement and review of Environment Management Plan (EMP) for all its facilities in order to reduce environmental footprint.

- v. Achieve excellence in all activities by implementing Total Productive Maintenance (TPM) with the involvement of all employees to reduce cost, increase productivity and improve quality continuously with the aim of achieving "Zero Failure, Zero Defect and Zero Accident".
- vi. Ensure that core values of the Company are protected.
- vii. Ensure that the decision making is transparent and documentary evidence is traceable through the minutes of the meeting of the Board/Committee thereof.
- viii. Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- ix. Ensure that the extent to which the information is disclosed to present and potential investors is maximized.

2) APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established five Committees to discharge its responsibilities in an effective manner. All's Company Secretary acts as the Secretary to all Committees. The Managing Director (MD) provides overall direction and guidance to the Board. Concurrently, the MD is responsible for overall implementation of decisions taken by the Board. In the operations and functioning of the Company, the MD is assisted by the Directors of the Company.

The Board of Directors ('The Board') is at the core of our Corporate Governance practice and oversees how the management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of corporate governance.

3) BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Managing Director is assisted by senior managerial personnel in overseeing the functional matters of the Company.

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. As trustees, the Board ensures that the Company has clear goals relating to shareholder value and its growth and seeks accountability for their fulfillment. The Board of the Company comprises an adequate blend of Executive, Non-Executive and Independent Directors.

4) BOARD COMPOSITION

The Board of Directors of the Company have an optimum combination of executive and non-executive directors with two woman directors and not less than fifty percent of the Board of Directors comprising non-executive directors in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Composition of the Board of Directors as on March 31, 2019 is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has a strength of 6(Six) Directors as on March 31, 2019. The Board comprises of 1 (One) Executive and 5 (Five) Non-Executive Directors out of which 3 (Three) are Independent Directors including two woman directors and rests are Non-Independent Directors. The chairman of the company is a non-executive director.

In accordance with the provisions of Companies Act, 2013 and clarifications/ circulars issued from time to time, the Company had appointed Mrs. Shilpi Modi as an Additional Non Executive Independent Woman Director of the Company with effect from 6th December, 2018. Therefore, her position as a director of the Company and as a member of various committees will be

effective from 6th December, 2018, which is within the limit prescribed by the Companies Act, 2013 and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5) ATTENDANCE, DIRECTORSHIP AND COMMITTEE POSITIONS

The composition and category of Directors on the Board, their attendance at the Board Meeting and at the last Annual General Meeting and the Directorship/ Chairmanship / Membership and/or Chairmanship of Committee of each Director in other companies as on 31st March, 2019 are as under:

S. No.	Name of Director	DIN	Attendance		Category of Directors	Other Directorship (Other than ALL)			Other committee (Other than ALL)			No. of shares and convertible instruments held	Relationship between directors inter-se	Directorship in other listed entity (Category of Directorship)
			Board Meeting (2018-19)	Last AGM held on 26/09/18)		Indian Public Companies (Refer Note 3)	Others (Refer Note 4)	Total	Member Ship	Chairman ship	Total			
1	Shri Mahesh Kumar Agarwal (Chairman)	00507690	6	No	Non Independent & Non-Executive (Promoter)	5	1	6	Nil	Nil	Nil	100	Brother of Mr. Jugal Kishore Agarwal and Mr. Mohan Lal Agarwal	-
2	Shri Jugal Kishore Agarwal (Managing Director)	00227460	7	Yes	Non-Independent & Executive (Promoter)	6	3	9	1	Nil	1	100	Brother of Mr. Mahesh Kumar Agarwal and Mr. Mohan Lal Agarwal	Adhunik Metaliks Limited (Non-Executive and Non Independent Director)
3	Shri Mohan Lal Agarwal	01047906	7	Yes	Non Independent & Non-Executive (Promoter)	6	1	7	3	Nil	3	100	Brother of Mr. Jugal Kishore Agarwal and Mr. Mahesh Kumar Agarwal	Adhunik Metaliks Limited (Non-Executive and Non Independent Director)
4	Shri Asit Baran Dasgupta	02476594	7	Yes	Independent & Non-Executive	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	-
5	Smt. Sonam Agarwal	08054202	7	Yes	Independent & Non-Executive	1	Nil	1	1	Nil	1	Nil	NA	-
6	Smt. Shilpi Modi*	02706881	3	NA	Independent & Non-Executive	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	-
7	Shri Chandra Shekhar Jalan**	01023586	3	NA	Independent & Non-Executive	NA	NA	NA	NA	NA	NA	NA	NA	-

(NOTE: * Smt. Shilpi Modi appointed on the Board of Directors w.e.f. 6th December, 2018.

**Shri Chandra Shekhar Jalan ceased from the Board due to his death on 8th September, 2018).

- For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, is included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 is excluded.
- In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Membership / Chairmanship of only Audit Committee and Stakeholders Relationship Committee in all public limited companies have been considered.

3. Includes Directorships in private companies that are either holding or subsidiary company of a public company.
4. Includes Directorships in private limited companies (other than private companies that are either holding or subsidiary company of a public company), foreign entities, companies under Section 8 of the Companies Act, 2013, alternate Directorships and Directorship/Memberships of Managing Committees of various Chambers/ Institutions.
5. None of the Directors is a member in more than 10 committees or act as a Chairman of more than five committees across all companies in which he is a Director and the same is in compliance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. Further, in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship in more than 20 (Twenty) companies and at the same time with the directorship in public companies not exceeding 10 (Ten). All the Directors have made necessary disclosures regarding directorship/committee positions occupied by them in other companies in accordance with the Regulation 25 and 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.
7. In accordance with Regulation 25(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable w.e.f. October 1, 2018), none of the directors is appointed or continue as an alternate director for an independent director of a listed entity during the period under review.
8. Shri Mohan Lal Agarwal (DIN:01047906), who retires by rotation at the end of ensuing AGM and offers himself for reappointment, details pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the notice of the next Annual General Meeting.

6) INDEPENDENT DIRECTORS (IDs)

Independent Directors play an important role in the governance process of the Board. The appointment process of Independent Directors is independent of the Company's management. While electing Independent Directors, the Board ensures that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

During the period under review, Independent Director Mr. Chandra Shekhar Jalan ceased to be Independent Director of the Company due to his death on September 8, 2019. Further, in accordance with the provisions of Companies Act, 2013 and clarifications/circulars issued from time to time, the members of the Board had appointed Smt. Shilpi Modi (DIN: 02706881) as an Additional Non-Executive Independent Woman Director of the Company in the Board Meeting held on December 06, 2018. In this regard, the Company had issued a formal letter of appointment to the Independent Director. The sample terms and conditions of appointment of independent director is available on company's web link <https://www.adhunikindustries.com/download/21526555897.pdf>.

All the Independent Directors of the Company furnished a declaration at the time of their appointment as well as annually that they qualify the tests of their being independent as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All requisite declarations were placed before the Board. The Board confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

None of the Independent Director of the Company have resigned before the expiry of his/her tenure during the period under review.

7) SELECTION OF NEW DIRECTORS

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the Nomination and Remuneration committee, which consists mostly of Independent directors. The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government,

education and public service. The Nomination and Remuneration committee makes recommendations to the Board on the induction of new directors.

8) PERFORMANCE EVALUATION

The Nomination and Remuneration Committee (NRC) of the Company formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The criteria for evaluation of Directors inter alia includes factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, achievements, understanding and awareness, integrity, ethics, value and openness.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors (including Independent Directors), the board and various Board Committees on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

Further as per amended Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the entire Board of Directors shall evaluate and review the performance of Independent Directors and fulfillment of the independence criteria as specified in these regulations and their independence from the management provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

9) MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on February 13, 2019 without the presence of the Chairman, Managing Director, CFO, the Non-Executive Non Independent Directors and the Management Team. In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The meeting was attended by all the Independent Directors and enabled them to discuss various matters pertaining to the Company's affairs and thereafter put forth their combined views to the Board.

The Independent Directors hold a unanimous opinion that the non-independent Directors including Chairman are actively participating in the proceedings of the meeting and provides the vision, mission and goals of the organization. The Chairman is very much committed in setting the strategic directions and also guiding the organization's functions according to the agreed policy and strategy. Due to his valuable suggestions and constant support, the Board will take the appropriate decisions for the benefit and growth of the Company in a planned manner.

The Managing Director has abundant knowledge, experience, skills and understanding of the Board's functioning. He is actively handling all the day to day affairs of the Company in an efficient manner and under his dynamic leadership, the Company is able to achieve its desired goals in a planned manner.

10) INDEPENDENT DIRECTORS' INDUCTION, FAMILIARIZATION AND TRAINING:

Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that the Company shall provide suitable training to Independent Director to familiarize them with the Company, their role, nature of the industry in which the Company operates, business model of the Company, latest developments in the Company's business and the external environment effecting the industry as a whole.

In this relation, the Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility. The Company had been taken the following initiatives for training of its Independent Directors as under-

- a) The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- b) Such programs / presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- c) The programs / presentations also familiarizes the Independent Directors with their roles, rights and responsibilities.
- d) When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- e) The Company circulate news and articles related to the industry on a regular basis and provide specific regulatory updates from time to time.
- f) At various Board meetings during the year, presentations are made to the Board on safety, health and environment and sustainability issue, risk management, company policies, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates, business excellence with areas of improvement and other relevant issue.
- g) Quarterly presentations on operations made to the Board which generally includes information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, donations, regulatory scenario etc.
- h) Quarterly results / press release (if any) of the Company are sent to the Directors.

The details of familiarization programs imparted to Independent Director have been placed on the website of the Company at www.adhunikindustries.com, as required under Regulation 46 of SEBI Listing Regulations, 2015 and may be accessed at the link <https://www.adhunikindustries.com/download/21554214207.pdf>

11) CODE OF CONDUCT OF INDEPENDENT DIRECTORS

As per the provisions of Section 149(8) of the Companies Act, 2013, the Company and Independent Directors shall abide by the provisions specified in Schedule IV. Further, Schedule IV lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company and the same has also been posted on the website of the Company at www.adhunikindustries.com at the weblink <https://www.adhunikindustries.com/download/21533540958.pdf>.

12) BOARD BUSINESS

The normal business of the Board, inter-alia includes:

- a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.
- b. Monitoring the effectiveness of the company's governance practices and making changes as needed.
- c. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.
- d. Aligning key executive and remuneration of board of directors with the longer term interests of the company and its shareholders.

- e. Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
- f. Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- g. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- h. Overseeing the process of disclosure and communications.
- i. Monitoring and reviewing board of director's evaluation framework.

Other responsibilities of Board inter-alia includes:

- a. To provide strategic guidance to the listed entity, ensure effective monitoring of the management and should be accountable to the listed entity and the shareholders.
- b. To set a corporate culture and the values by which executives throughout a group will behave.
- c. To act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
- d. To encourage continuing directors training to ensure that the members of the board of directors are kept up to date.
- e. Where decisions may affect different shareholder groups differently, the Board treats all shareholders fairly.
- f. To maintain high ethical standards and take into account the interests of stakeholders.
- g. To exercise objective independent judgement on corporate affairs.
- h. To consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
- i. To ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk.
- j. To be able to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- k. When committees of the board are established, their mandate, composition and working procedures is well defined and disclosed by the board.
- l. To be able to commit themselves effectively to their responsibilities.
- m. In order to fulfil their responsibilities, members of the board of directors have access to accurate, relevant and timely information.
- n. The Board and senior management facilitate the Independent Directors to perform their role effectively as a member of the board of directors and also as a member of a committee of board of directors.

13) CODE OF CONDUCT

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company's Code of Conduct, adopted by the Board of Directors is applicable to all the Board members and all employees of the Company. The Code of Conduct is posted on the website of the Company at www.adhunikindustries.com and on the web link <http://adhunikindustries.com/download/21526302596.pdf>.

The Code of Conduct, as adopted by the Board, is applicable to Directors, senior management and employees of the Company. The Code is designed from three interlinked fundamental principles viz. good corporate governance, good citizenship and exemplary personal conduct. The Code covers commitment to sustainable development concern for occupational health, safety and environment, a gender-friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example.

All members of the Board, the executive officers and senior management officials have affirmed compliance to the Code of Conduct as on March 31, 2019.

A declaration by the Managing Director is attached and forms part of the Annual Report of the Company.

No employee including key managerial personnel or director or promoters have enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the company as per Regulation 26(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14) BOARD MEETINGS AND ITS AGENDA

During the FY 2018-19, seven Board meetings were held on 16th May 2018, 28th May 2018, 13th August 2018, 13th November 2018, 6th December 2018, 13th February 2019 and 28th March 2019 as per the statutory requirements. The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred and Twenty) days. Apart from physical meetings, the Board/ the Committees also considered and approved certain matters by circular resolutions which were ratified at the next meeting of the Board as required in terms of the Companies Act, 2013. The Chairman along with the Managing Director makes presentation on the quarterly and annual operating and financial performance and annual operating and capex budget. Post meetings, important decisions taken by the Board are communicated to concerned officials and departments.

In compliance with Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-

a) Scheduling and selection of agenda items for Board Meetings:

- i) The Company holds minimum of four Board meetings in each year. All Board meetings are convened by giving appropriate notice at any time to address the specific needs of the Company.
- ii) The meetings are usually held at the Company's Corporate Office at 2/1A, Sarat Bose Road, "Lansdowne Towers" 6th Floor, Kolkata-700 020.
- iii) Meetings are governed by a structured agenda. All departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion / approval in the Board / Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board meetings. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Board members, in consultation with the Chairman and majority of directors, may bring up any matter for the consideration of the Board.
- iv) In case of business exigencies, the Boards approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.
- v) The Board is given presentations covering finance, the major business segments and operations of the Company, before taking on record the results of the Company for the preceding financial quarter at each of the scheduled Board meeting.

The Managing Director and the Company Secretary in consultation with the other concerned persons in senior management finalize the agenda papers for the Board meeting. Directors have access to the Company Secretary's support and all information of the Company and are free to suggest inclusion of any matter in the Agenda.

b) Agenda papers distributed in advance

Agenda papers are circulated to the Directors in advance. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents to the agenda, the same are placed on the table at the meeting with specific reference to this effect in the agenda with the consent of majority of the directors including at least one independent director. In exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

c) Recording of Minutes of Proceedings at Board/Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board / Committee meeting. Draft minutes are circulated to all the members of the Board for their comments. The minutes of proceedings of a meeting are entered in the minutes book within 30 days from the conclusion of the meeting. Within 15 days of signing of the minutes, a copy of said signed minutes, certified by the Company Secretary shall be circulated to all the directors except to those who waived their right to receive the same.

d) Post Meeting Follow Up Mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow up, review and reporting process of the decisions taken by the Board and Board Committee thereof. The important decisions taken by the Board/ Committees are communicated to the respective departments/division concerned promptly. Action taken report on the decisions/minute of the previous meeting(s) is placed at the meeting of the Board/Committee for their noting.

15) COMMITTEES OF THE BOARD

The Board has constituted various Committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company.

The Board Committees plays crucial role in the governance structure of the Company and are being set out to deal with specific areas/activities which concerns the Company and need a closer review. They are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by Members of the Board, as a part of good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The Board has various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Management and Finance Committee as on March 31, 2019. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

I. Audit Committee

The terms of reference, role and scope of Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

During the year under review, 4 (Four) meetings of the Audit Committee were held on 28th May 2018, 13th August 2018, 13th November 2018 and 13th February 2019. The maximum time gap between any two consecutive meetings did not exceed One Hundred and Twenty days. Moreover, the quorum of minimum 2 (Two) Independent Directors, as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was present in all the meetings of the Audit Committee held during the year. The details of composition of the Audit Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Asit Baran Dasgupta	Chairman
2.	Shri Mahesh Kumar Agarwal	Member
3.	Smt. Sonam Agarwal	Member
4.	Smt. Shilpi Modi*	Member
5.	Shri Chandra Shekhar Jalan **	Ex-Member

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

a) Attendance record of Audit Committee:

Name of the Member	Category	No. of Meetings	Meetings attended
Shri Asit Baran Dasgupta (Chairman)	Independent Non-Executive	4	4
Shri Mahesh Kumar Agarwal	Non Independent Non-Executive	4	4
Smt. Sonam Agarwal	Independent Non-Executive	4	4
Smt. Shilpi Modi*	Independent Non-Executive	1	1
Shri Chandra Shekhar Jalan **	Independent Non-Executive	2	2

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

Mr. Asit Baran Dasgupta is the Chairman of the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting. Statutory Auditors, Internal Auditors, Managing Director and the Chief Financial Officer of the Company are generally permanent invitees to Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process with a view to ensuring accurate and timely disclosures, with highest levels of transparency, integrity and quality of financial reporting.

b) Powers of The Audit Committee:

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. To obtain outside legal and professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

c) The Role / Terms of reference of Audit Committee Includes:

With the enactment of SEBI (LODR) (Amendment) Regulations, 2018, the role of Audit Committee is widened by requiring review of utilization of loans and / or advances from investment by the holding company in the subsidiary exceeding INR100 crore or 10% of the asset size of the subsidiary, whichever is lower. This requirement is also applicable to loans / advances / investments existing as on 1 April 2019.

After taking into consideration the above amendments, and pursuant to Regulation 18(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and Section 177 of the Companies, 2013, the updated terms of reference of Audit Committee with effect from 1st April, 2019 are as follows:

1. Oversight the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity and if required the replacement or removal 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 listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Modified opinion(s) 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. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Review, approval or any subsequent modification of transactions of the listed entity with related parties and to grant omnibus approval for related party transactions which are in ordinary course of business and on arm's length pricing basis subject to the approval of the Board;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors 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 the 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 Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. The committee shall review the compliances in regard to the provisions of regulation 9 and 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 at least once in a Financial year and verify that the system of internal control are adequate and are operating effectively.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("the Committee") shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statute, rules and regulations which the Committee deems relevant, make recommendations to the Board of Directors in respect to the appointment, reappointment and resignation of Independent, Executive and Non-Executive Directors of the Company, ensure 'fit and proper' status of the existing/proposed Directors of the Company in accordance with SEBI Circulars on Corporate Governance, issued from time to time, and other matters specified.

The details of composition of Nomination and Remuneration Committee are as under-

Sl. No.	Name	Chairman/ Members
1	Smt. Sonam Agarwal	Chairman
2	Smt. Shilpi Modi*	Member
3	Shri Mahesh Kumar Agarwal	Member
4	Shri Chandra Shekhar Jalan**	Ex-Member

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

The Nomination and Remuneration Committee shall meet at least once in a year.

The Role / Terms of reference of Committee Includes

The terms of reference of the Nomination and Remuneration Committee, are in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as follows:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Identify whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 and other applicable laws/ regulations, the company had revised the terms of reference of the committee in its board meeting held on February 13, 2019. The below revision in terms of reference is effective from 1st April 2019.

6. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Consider any other matters referred to the Committee by the Board.

3 (Three) meetings of the Committee was held during the financial year on 13th August, 2018, 6th December, 2018 and 28th March, 2019.

a) Attendance record of Nomination and Remuneration Committee:

Name of the Member	Category	No. of Meetings	Meetings attended
Smt. Sonam Agarwal (Chairman)	Independent Non-Executive	3	3
Smt. Shilpi Modi*	Independent Non-Executive	1	1
Shri Mahesh Kumar Agarwal	Non Independent Non-Executive	3	3
Shri Chandra Shekhar Jalan**	Independent Non-Executive	1	1

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

Mr. Bharat Agarwal, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

b) Remuneration Policy

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy for Directors and Senior Management, details of which forms part of the Directors' Report. The Company's Remuneration Policy is available on the company's website at www.adhunikindustries.com and on the web link <http://adhunikindustries.com/download/21526556394.pdf>.

c) Details of remuneration paid/payable to the Directors during the financial year 2018-19

The Company has paid managerial remuneration by way of salary to its Managing Director only and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board and shareholders of the Company.

Remuneration paid to the Directors

(Figures in ₹)

Particulars of Remuneration	Name of Directors							Total
	Mahesh Kumar Agarwal	Mohan Lal Agarwal	Chandra Shekhar Jalan**	Asit Baran Dasgupta	Shilpi Modi*	Sonam Agarwal	Jugal Kishore Agarwal	
Salary	-	-	-	-	-	-	30,00,000	30,00,000
Benefits	-	-	-	-	-	-	-	-
Bonuses	-	-	-	-	-	-	-	-
Sitting fees of all Board and Committee Meetings	80,000	70,000	40,000	90,000	35,000	90,000	-	4,05,000
Stock Options	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-
Details of fixed component	-	-	-	-	-	-	-	-
Performance linked incentives	-	-	-	-	-	-	-	-
Performance criteria	-	-	-	-	-	-	-	-
Service Contracts	-	-	-	-	-	-	-	-
Notice Period	-	-	-	-	-	-	As per terms of contract	-
Severance fees	-	-	-	-	-	-	-	-
Details of stock option (if any)	-	-	-	-	-	-	-	-
Whether Option issued at a discount	-	-	-	-	-	-	-	-
Period over which option accrued/ exercisable	-	-	-	-	-	-	-	-

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee shall act in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Stakeholders Relationship Committee ('the Committee') comprised of 3 (Three) members including one Independent Director. The details of composition of the Stakeholders Relationship Committee are as under:-

Sl. No.	Name	Category	Chairman/ Members
1.	Shri Mahesh Kumar Agarwal	Non Independent Non-Executive	Chairman
2.	Shri Mohan Lal Agarwal	Non Independent Non-Executive	Member
3.	Smt. Sonam Agarwal	Independent Non-Executive	Member

Mr. Bharat Agarwal, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee.

Terms of Reference:

The terms of reference of the Committee cover all the areas as mentioned under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. With the enactment of SEBI (LODR)(Amendment) Regulations, 2018, the roles and responsibilities of Stakeholders Relationship Committee is widened and therefore Board need to revise terms of reference of Stakeholders Relationship committee in compliance with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. The revised terms of reference of Stakeholders Relationship Committee with effect from 1st April 2019 shall, inter-alia, include the following:

1. The Committee shall specifically look into various aspects of interest and resolve the grievances of shareholder, debenture holder and other security holders.
2. The committee shall resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Further, the Chairperson of the Stakeholders Relationship Committee shall be present at the Annual General Meetings to answer queries of the security holders.

Also, the Stakeholders Relationships Committee shall meet at least once in a year.

1 (one) meeting of Stakeholders Relationship Committee held during the financial year 2018-19 on 16th November, 2018.

a) Status of Investors' Complaints:

Number of complaints received during the year	Nil
Number of complaints resolved up to 31st March, 2019	Nil
Number of complaints not solved to the satisfaction of shareholders	NA
Number of complaints pending as on 31st March, 2019	Nil

E-mail ID earmarked for redressing Investors queries in terms of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: investorsail@adhunikgroup.co.in

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014, the Board of Directors of the Company had constituted a Committee called "Corporate Social Responsibility Committee".

While aiming to generate maximum profit for our shareholders throughout the year, we also keep a steadfast eye on our social

and environmental responsibilities, to fulfill the needs and expectations of the larger society that we are part of. Our CSR is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability related initiatives.

The purpose of CSR Policy is to devise an appropriate strategy and focus on its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfill its CSR objectives. As per the said policy, the Company follows the strategy of discharging its CSR responsibilities related to social service through various trusts/societies in addition to its own initiatives and donations made to other non-government organizations.

Terms of Reference:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder.
- b) To recommend the amount of expenditure to be incurred on the CSR activities.
- c) To monitor the implementation of the CSR Policy of the Company from time to time.

The CSR Policy has been uploaded on the Company’s website at www.adhunikindustries.com and may be accessed at the web link <http://www.adhunikindustries.com/download/21530079539.pdf>

1 (One) meeting of the Corporate Social Responsibility Committee of the Company was held during the year 2018-19 on May 28, 2018. The attendance of each member of the Committee is given below:

Members	No. Of Meetings Held	No. Of Meetings Attended
Shri Mahesh Kumar Agarwal (Chairman)	1	1
Shri Mohan Lal Agarwal	1	1
Smt. Shilpi Modi*	0	0
Shri Chandra Shekhar Jalan**	1	1

* appointed w.e.f. 06.12.2018

** ceased w.e.f. 08.09.2018

V. MANAGEMENT AND FINANCE COMMITTEE

The Company has also constituted a Management and Finance Committee. Following are the major terms of reference of the Committee:

- i) Reviewing the management and take decision regarding taking further loans, equipment finance, car loans for employees and/or other financial assistance.
- ii) Opening and closure of Bank Account(s) as and when required.
- iii) Reviewing financial and risk management policies.
- iv) To sub-delegate any of the powers of the Committee to the Managing Director, Directors/or the Key Managerial Personnel.
- v) To look after and supervise the keeping and maintaining of the records to be kept and maintained under the provisions of the Companies Act and/or other legislation governing the affairs of the Company and ensure compliance with the provision of such law and to do all such acts, deeds and things as may be necessary or expedient to ensure compliance with such laws and also to appear and represent the Company before any Officer or authority appointed under any such laws for the time being in force.

The Management and Finance Committee (‘the Committee’) comprised of 3 (Three) members of which all are Non-Independent Director. The details of composition of the Management and Finance Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Shri Jugal Kishore Agarwal	Chairman
2.	Shri Mohan Lal Agarwal	Member
3.	Shri Mahesh Kumar Agarwal	Member

No meetings of Management and Finance Committee were held during financial year 2018-19.

16) LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS FOR SMOOTH FUNCTIONING OF ITS' BUSINESS

The Board skills matrix provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate for the Board of Directors of Adhunik Industries Limited. The Board of the Company has identified the following core skills/expertise/competencies as required in the context of the Company's business to function effectively and are currently available with the Board:

S. No.	Skill / Competency
1.	Industry Knowledge / Experience
a.	Industry Experience
b.	Knowledge of Sector
c.	Knowledge of Government / Public Policy
2.	Technical Skills / Experience
a.	Accounting
b.	Finance
c.	Law
d.	Marketing Experience
e.	Public Relations
f.	IT and Digital outreach
g.	Risk Management Systems
h.	Human Resource Management
i.	Strategy Development and its Implementation
3.	Governance Competencies
a.	Strategic Thinking
b.	Governance related Risk Management
c.	Compliance Focus
d.	Reputation and Branding
4.	Behavioural Competencies
a.	Ability and Willingness to challenge and probe
b.	Sound Judgement
c.	Integrity and High ethical standards
d.	Mentoring Abilities
e.	Interpersonal Relations
f.	Listening Skills
g.	Verbal Communication Skills
h.	Willingness and Ability to Devote Time and Energy to the Role

17) SHAREHOLDERS COMMUNICATION

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Shareholders seeking information related to their shareholding may contact the Company directly or through Registrars and Transfer Agents, details of which are available on the Company's website. The Company ensures that complaints and suggestions of its shareholders are responded in a timely manner.

18) ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board 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 primarily responsible 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.

19) NEWS RELEASES, PRESENTATIONS, AMONG OTHERS

Official news releases and official media releases (if any) are sent to Stock Exchanges on regular basis.

20) SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. The Company did not receive any complaints from shareholders during the year. There were also no investor's complaint pending against the company as on March 31, 2019 on SCORES, the web based compliant redressal system of SEBI.

21) WEBSITE MAINTENANCE

The Company's web site www.adhunikindustries.com contains a separate dedicated section "Investor's Corner" as required in terms of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 where shareholders information is available. The quarterly and annual results of the Company and shareholding pattern and other details are posted on the Company's website. The Company also posts on its website all its official news releases, important announcements and presentations.

22) DISCLOSURES**(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

Transactions effected with the related parties are disclosed under Note No. 32 in 'Notes to the Financial Statements' in the Annual Report, in accordance with the requirements of Indian Accounting Standard IND AS 24 as notified by the Companies (Indian Accounting Standards) Amendment Rules, 2018.

A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval. All these transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis. There was materially significant related party transaction entered into by the Company with the Related Parties during the period and the same was entered with the prior approval of the shareholders obtained by way of ordinary resolution passed through Postal Ballot on 29th June 2018. The complete details of the postal ballot held during the year is given under the head General Body Meetings.

Also, the Board of Directors of the Company had obtained the approval of shareholders by passing a Special Resolution through postal ballot on January 12, 2018 for entering into transaction with one of the Related Party of the Company M/s. Adhunik Alloys & Power Limited for a sum up to ₹ 40,00,00,000/- (Rupees Forty Crores only) during the F.Y. 2017-18. However, due to frequent market fluctuations and volatility in the iron and steel market, the Company need to procure larger quantity than the expected quantity from the Related Party in order to keep the purchase of raw materials of the Company cost effective. Thus, the Company had actually purchase raw material i.e. Billet for an amount of ₹ 1,08,81,34,465/- (Rupees One Hundred and Eight Crores Eighty One Lacs Thirty Four Thousand Four Hundred and Sixty Five only) (inclusive of statutory taxes) from M/s. Adhunik Alloys & Power Limited which was ratified by the shareholders by way of special resolution passed through postal ballot on 29th June 2018.

Prior approval of Audit Committee is obtained for all Related Party Transactions except for the Related Party Transactions for which omnibus approval is granted by the Audit Committee from time to time. The Company has formulated Related Party Transactions (RPT) Policy which provides a framework to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.adhunikindustries.com and may be accessed at the link <https://www.adhunikindustries.com/download/21558518217.pdf>

(ii) Policy for Determining Materiality of an event or information and for making disclosures to Stock Exchanges:

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have approved the Policy for determining materiality of an event or information and for making disclosures to the Stock Exchanges which is effective from December 1, 2015 and same is available on the company's website www.adhunikindustries.com and on the web link <http://adhunikindustries.com/download/21526556618.pdf>. The Board has authorized Key Managerial Personnel of the Company, viz. the Managing Director or CFO or Company Secretary or all or any of them, to determine materiality of an event or information and for making disclosures to the Stock Exchanges under the said regulation.

(iii) Disclosure of Accounting Treatment:

Your Company has not adopted any alternative accounting treatment prescribed differently from the Indian Accounting Standards.

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

SEBI vide its letter bearing no. SEBI/HO/ISD/OW/P/2017/18183 dated August 7, 2017 duly addressed to the three Stock Exchanges has forwarded a list of 331 suspected shell companies as identified by Ministry of Corporate Affairs and has directed the Stock Exchanges to identify the companies listed on their trading platform and place trading in all such listed securities in Stage VI of the Graded Surveillance Measure (GSM) with immediate effect. Your Company was also aggrieved by the communication of Securities and Exchange Board of India (SEBI) addressed to the three stock exchanges on August 7, 2017 and the consequential order passed by National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on August 7, 2017 itself by placing securities of the Company in GSM Stage VI with effect from August 8, 2017. The Company had made a representation to SEBI on August 9, 2017 against the impugned communication of SEBI dated August 7, 2017 and also provided the required information asked by National Stock Exchange of India Limited (NSE) vide its communication dated August 9, 2017 and BSE Limited (BSE) vide its communication dated August 10, 2017, vide its communication dated August 14, 2017. Since no action was taken on the said representation dated August 9, 2017 and after providing the required information to NSE and BSE, our Company had filed an appeal to Securities Appellate Tribunal (SAT).

The SAT after hearing both the parties directed SEBI and also the Stock Exchanges vide its order dated September 21, 2017 to reverse their decisions dated August 7, 2017 which were all passed without hearing the appellant.

Further, SEBI had passed an interim order on 21st September 2018 against the Company on the basis of certain "prima facie" observations in the matter of suspected shell companies and had advised the Company to submit their reply to the points contained in the Interim Order and also give an opportunity of personal hearing, if the Company wish to avail. The Company had filed its reply to the observations made in the Interim Order within the prescribed time. The Company had also requested SEBI to grant an opportunity of personal hearing in the matter and pursuant to that SEBI had granted the opportunity of personal hearing to the Company. During the course of said hearing, SEBI had sought certain additional documents from the Company which it had submitted within the prescribed time limit. The Company had not received any further communication from SEBI against additional submission made by it post hearing in the subject matter.

(v) **There were no inter-se or pecuniary relationships or transactions with the Non-Executive Directors.**

(vi) **Whistle Blower Policy (Vigil Mechanism):**

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism / Whistle Blower Policy to deal with unethical behaviour, 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. The Company affirms that none of the employees have been denied access to the Audit Committee.

(vii) **Policy against Sexual Harassment at Workplace:**

Company in its endeavor to provide a safe and healthy work environment for all its employees and has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential.

As per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

Details of Sexual Harassment Complaints

Number of Complaint filed during the financial year	Nil
Number of Complaints disposed of during the financial year	NA
Number of Complaints pending as on end of the financial year	NA

(viii) **Shareholding of Directors in the Company as on March 31, 2019:**

Name of Directors	Number of Equity Shares
Shri Jugal Kishore Agarwal	100
Shri Mohan Lal Agarwal	100
Shri Mahesh Kumar Agarwal	100

ix) **Code for prevention of Insider Trading practices:**

Securities and Exchange Board of India (SEBI) had on January 15, 2015 notified SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. In compliance with this regulation, the company has adopted a "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" with a view to regulate trading in securities by the Directors and designated employees and their immediate relative as well as Promoter and Promoter Group of the company.

These regulations are further amended vide SEBI Notifications dated December 31, 2018 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and on January 21, 2019 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019 and shall come into force w.e.f. 1st April, 2019. Thus, in terms of Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "Regulations"), the Board of Directors had framed the revised "**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**" in lieu of earlier one and in terms of Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "Regulations"), in supersession of the previous Code adopted by the Company, a new "**Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons**" is hereby framed. Both the above-said Code was adopted by the Board of Directors in its meeting held on dated 28th March, 2019 and shall come into force w.e.f. 1st April, 2019. Both code is available on the website www.adhunikindustries.com of the Company.

During the year under review, there has been due compliance with the code applicable at the given point of time.

(x) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this Regulation:**

The Company has complied with all the mandatory requirements as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, with the Stock Exchanges. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges where the shares of the Company listed as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The status of adoption of discretionary requirements of Regulation 27(1) as specified under Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

a) **Non-Executive Chairperson's entitlement to maintain Chairman's Office and reimbursement of expenses incurred:**

The Company is having a Non-Executive Chairman Mr. Mahesh Kumar Agarwal. Thus, the Company is complied with the requirement.

b) **Shareholder's Rights:**

The quarterly, half yearly, nine monthly and annual financial performance are communicated to the stock exchanges and also posted on the Company's website.

c) **Modified opinion in Auditor's Report:**

The Company's financial statement for the financial year 2018-19 does not contain modified audit opinion.

d) **Separate posts of Chairman and Managing Director or CEO:**

There is separate person hold the post of Chairman and Managing Director. Thus, the Company is complied with the requirement.

e) **Reporting of Internal Auditor**

The internal auditor report to the Audit Committee.

(xi) **Web- link for policy determining 'material' subsidiaries:**

The Company does not have any subsidiary as defined under the Companies Act, 2013.

(xii) **Compliance of the requirement of Corporate Governance Report:**

During the financial year 2018-2019, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

(xiii) **Disclosure of the Compliance with Corporate Governance:**

The Company has complied with the regulations 17-20, 22-23, 24A, 25-27 and Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the financial year 2018-2019. Regulations 21 and 24 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company. There has not been non-compliance of any requirement of Corporate Governance Report.

(xiv) **Disclosure with respect to demat suspense account/unclaimed suspense account:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31st March, 2019. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

(xv) Disclosure of commodity price risks or foreign exchange risk and hedging activities:

The Company does not have material exposure of any commodity which are imported/ exported and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No.- SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 Dated- 15th November, 2018. The Company generally exports its finished goods to neighbouring countries of India such as Nepal etc. The export made by the Company is normally supported by 100% advance payment from the overseas customers or backed by Foreign Letter of Credit issued by their bankers in favor of the Company and sometimes executed in Indian currency only. So, there is minimum foreign exchange risk and commodity price risk as well associated with the transactions of the Company.

(xvi) Utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

No funds were raised by the Company through Preferential allotment or by way of Qualified Institutions Placement during the F.Y. 2018-19.

(xvii) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

The company has received declaration from all directors of the Company that they are/have not 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. Further, the Company has received a certificate from Mr. Mohan Ram Goenka, Partner of M/s. MR & Associates, Practicing Company Secretaries, confirming 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. The same forms an integral part of this report.

(xviii) During the F.Y. 2018-2019, there have been no instances where the Board of Directors of the Company has not accepted the recommendation of any committee of the Board, wherever required.

(xix) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/entity of which the statutory auditor is a part:

Particulars	Fees (Amount in ₹)
Audit Fees	1,25,000
Limited Review Fees	33,000
Tax Audit Fees	25,000
Certificate and Other Services	22,900
Total	2,05,900

Note: The Company does not have any subsidiary as defined under the Companies Act, 2013.

23) MEANS OF COMMUNICATION**a) Quarterly Results/ Half Yearly/ Annual Results:**

The Quarterly, Half-yearly and Yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

b) Newspaper Publications:

The Financial results are regularly submitted to the stock exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and published in one English Daily (Business Standard) and one Bengali Daily (Aajkal).

c) Website:

For the financial results and other relevant information, shareholders may log on to the website of the Company www.adhunikindustries.com

d) News and press release as available are posted on the website of the company www.adhunikindustries.com. During the year under review there were no such news releases.

e) As the company does not have any institutional investors and angel investors, so no presentation made to institutional investors or to the analysts.

f) Email id: investorsail@adhunikgroup.co.in

g) The Management Discussion and Analysis Report is a part of Annual Report.

24) GENERAL BODY MEETINGS

A) Details of Previous Annual General Meeting:

The last three Annual General Meetings of the Company were held as per details given below:

Year	Date	Time	Venue	Number of special resolutions passed
2017-18	September 26, 2018	02:30 pm	Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700017	1
2016-17	September 21, 2017	02.30 pm	Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700017	1
2015-16	September 14, 2016	02.30 pm	Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700017	1

B) Postal Ballot

During the financial year 2018-19, five resolutions were passed by the shareholders through postal ballot. The Board had approved the notice(s) of the postal ballot and appointed Mr. Mohan Ram Goenka, the Practicing Company Secretary, as scrutinizer, who had conducted the postal ballot exercise in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice was sent to shareholders in electronic form to the email addresses registered with the depository (in case of electronic shareholding). For shareholders whose email IDs were not registered, physical copies of the postal ballot notice was sent by permitted mode along with a postage prepaid self-addressed business-reply envelope. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013. The Company fixed a cut-off date to reckon the number of paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Shareholders had casted their votes through e-voting during the voting period fixed for this purpose. The shareholders had also exercised their votes through physical ballot who had not availed the e-voting facility by sending duly completed and signed forms so as to reach the scrutinizer before a specified date and time. After completion of scrutiny of votes, the scrutinizer submitted his report to the Chairman and the results of voting by postal ballot were announced by the Chairman of the Company duly authorized within 48 hours of conclusion of the voting period. The results are also displayed on the website of the Company (www.adhunikindustries.com), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents. The resolutions were passed by the requisite majority and were deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

The details of resolutions passed by the shareholders through postal ballot and the voting pattern thereon are as under:

Date of the postal ballot notice: May 16, 2018

Date of declaration of result: June 29, 2018

Voting period: May 31, 2018 to June 29, 2018

Particulars	Type of resolution	Total no. of valid votes	Total votes cast in favour		Total votes cast against	
			No. of shares	% of votes cast	No. of shares	% of votes cast
Alteration/deletion of the Object Clause of Memorandum of Association of the Company	Special Resolution	41,974,414	41,974,414	100.00	0	0.00
Alteration of the Liability Clause of Memorandum of Association of the Company	Special Resolution	41,974,414	41,974,412	100.00	2	0.00
Alteration and Adoption of Articles of Association of the Company in conformity with the Companies Act, 2013	Special Resolution	41,974,414	41,974,414	100.00	0	0.00
Approval/ratification of Related Party Transaction entered into by the Company in the FY 2017-18	Special Resolution	69,19,614	69,19,614	100.00	0	0.00
Approval of Related Party Transaction for the FY 2018-19 to FY 2022-23 (5 years)	Ordinary Resolution	69,19,614	69,19,612	99.99997	2	0.00003

Further, the company do not propose any Special Resolution to be conducted through postal ballot.

25) GENERAL SHAREHOLDERS' INFORMATION

a) AGM Details

Day and date	Monday, September 16, 2019.
Venue	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kolkata-700 017.
Time	02.30 PM
Book closure dates	10th September, 2019 to 16th September, 2019 (Both day inclusive)

b) Registrar & Share Transfer Agents

M/s. Maheshwari Datamatics Private Limited.
23, R. N. Mukherjee Road, 5th Floor
Kolkata- 700 001
Tel no. 91-33-22435809/5029
Fax no. 91-33-22484787
E-mail- mdpldc@yahoo.com

c) CEO/CFO Certification

The CEO and CFO certification issued in accordance with the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year is annexed and forms part of the Annual Report.

d) Share Transfer System

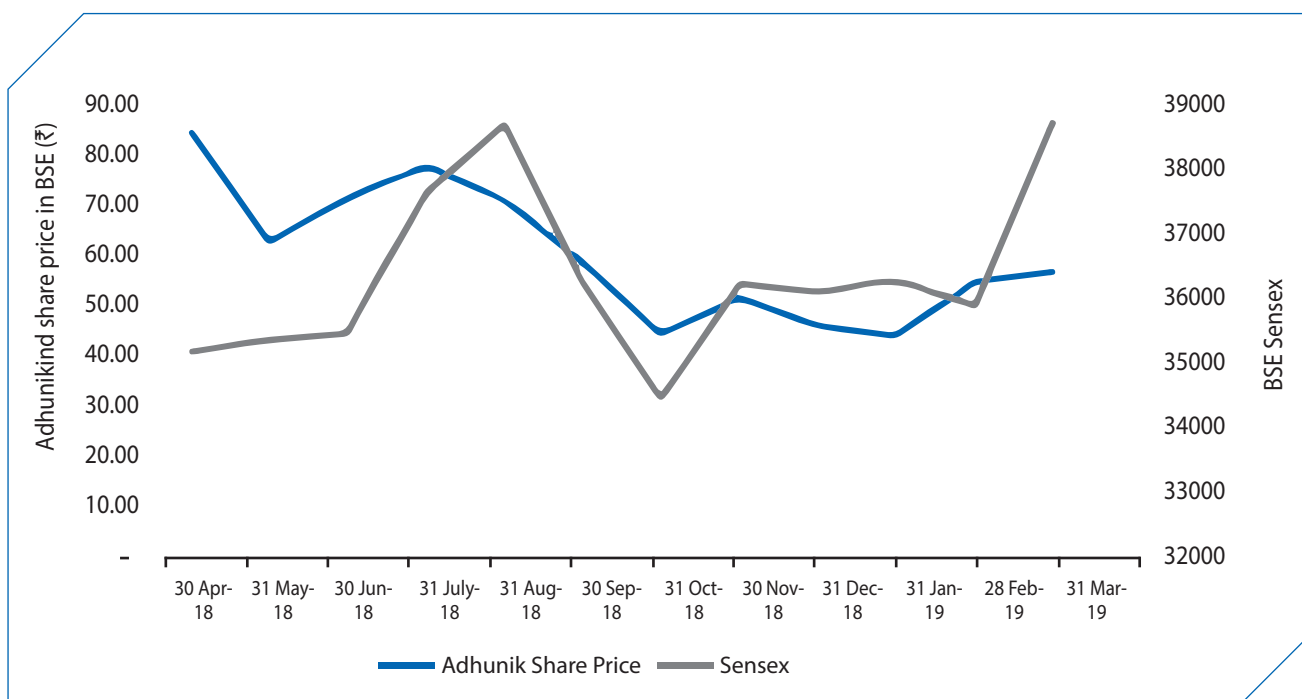
The Registrars and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited, register the share transfer after the shares are lodged for transfer, within a period ranging from 7 to 10 days provided the documents lodged with the Registrars/Company are in order. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

e) Market Price Data

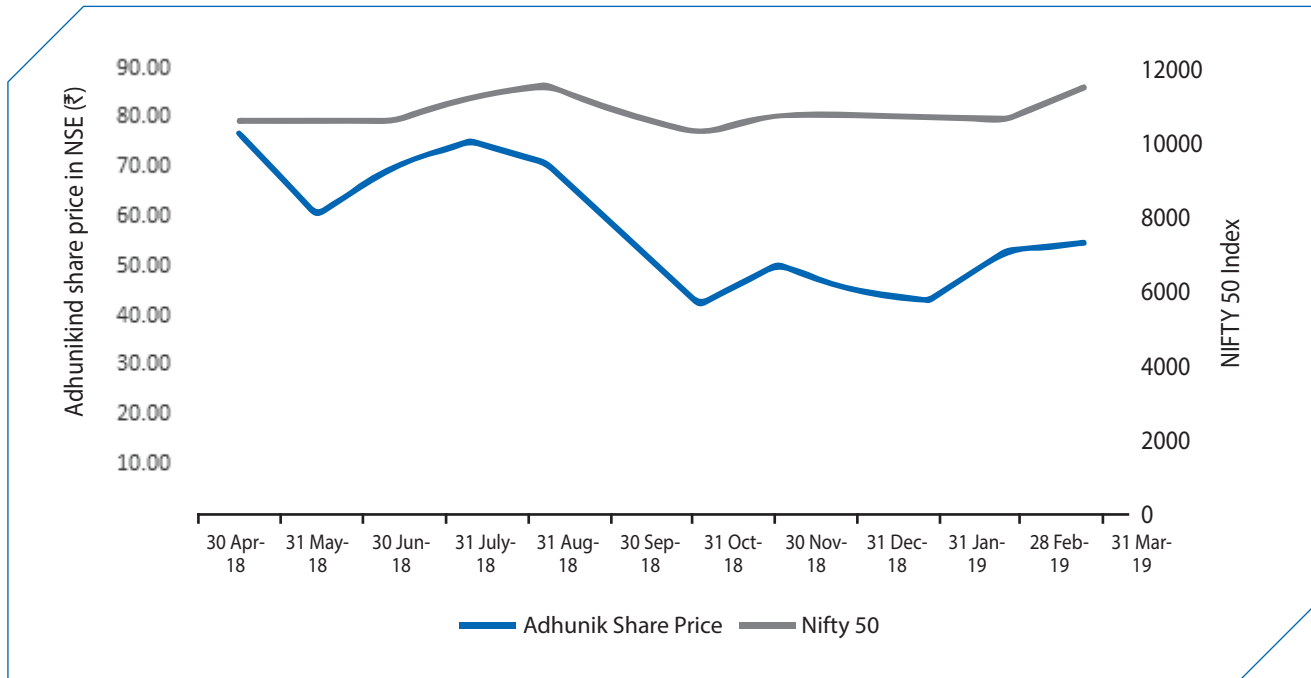
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
April 2018	94.00	66.50	59,205	91.75	66.10	2,79,938
May 2018	79.45	54.65	67,307	78.00	51.80	12,89,424
June 2018	74.00	60.00	2,70,972	73.95	58.10	18,21,203
July 2018	82.30	67.05	2,28,112	80.50	67.10	8,40,584
August 2018	75.50	66.15	1,13,321	78.00	67.05	6,64,425
September 2018	72.80	51.00	99,861	77.30	51.70	3,23,722
October 2018	63.40	39.30	2,43,257	62.90	40.30	4,61,318
November 2018	53.40	38.50	1,77,809	52.95	38.35	4,36,580
December 2018	54.95	43.00	2,20,304	55.00	42.25	3,92,531
January 2019	52.50	37.65	1,62,583	52.50	42.00	2,96,273
February 2019	57.00	37.20	2,20,191	57.00	35.50	6,00,210
March 2019	63.00	52.80	2,44,496	59.80	48.30	4,66,832

Note: The Company's shares are not actively traded presently on Calcutta Stock Exchange Limited, therefore the market price data are not available.

Details of performance of Adhunik Industries in comparison with BSE Sensex:

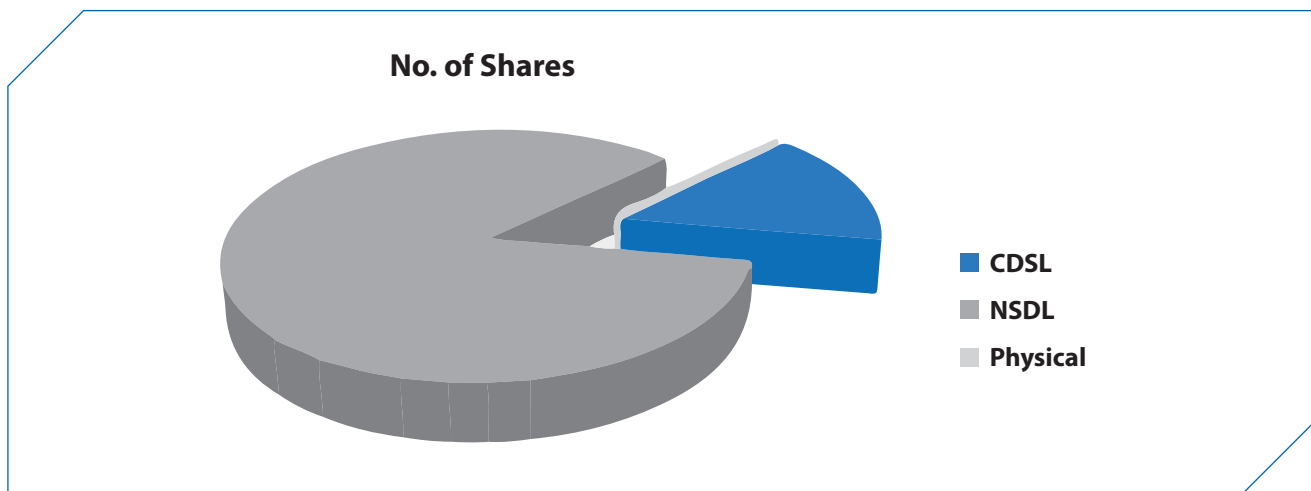


Details of performance of Adhunik Industries in comparison with NIFTY:



f) Details of Demat and Physical Shares as on March 31, 2019

Description	Number of Shares	% of Equity
CDSL	71,16,542	15.22%
NSDL	3,96,47,207	84.78%
Physical	1	0.00%
Total	4,67,63,750	100.00%



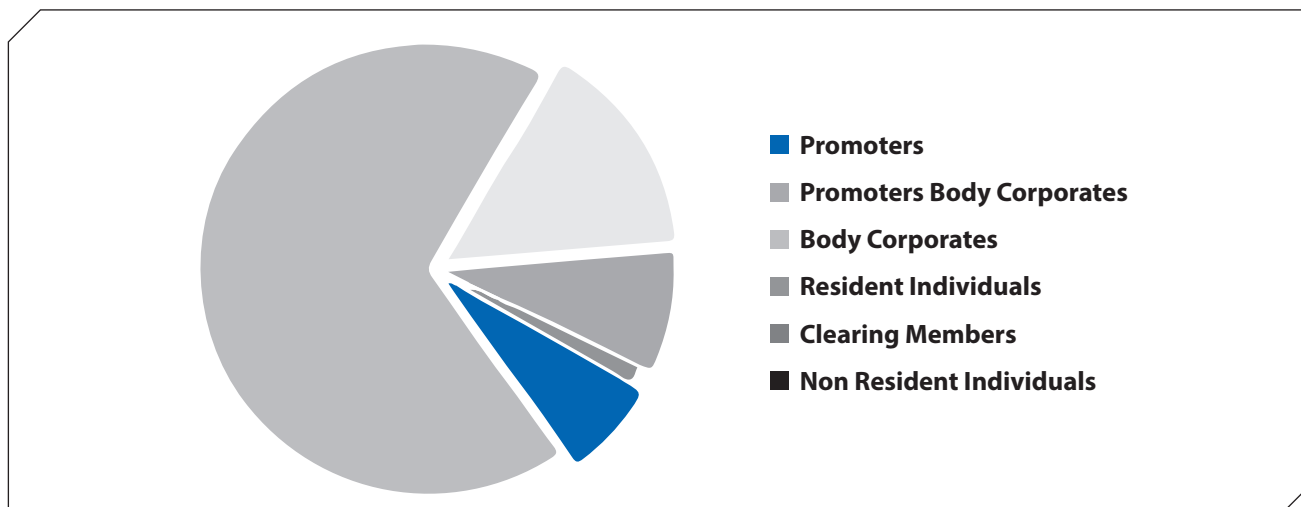
g) Distribution of Shareholding as on March 31, 2019

Category (Share)	Shareholders		No of Shares	
	Number	% to total	Number	% to total
Upto 500	1649	88.0876	85831	0.1835
501-1000	66	3.5256	54954	0.1175
1001-2000	30	1.6026	49925	0.1068
2001-3000	18	0.9615	45082	0.0964
3001-4000	8	0.4274	29331	0.0627
4001-5000	22	1.1752	106836	0.2285
5001-10000	18	0.9615	125048	0.2674
10001 and above	61	3.2585	46266743	98.9372
Total	1872	100.0000	4,67,63,750	100.0000

h) Categories of Shareholders as on March 31, 2019

S. No.	Category	Numbers of holders	Number of shares	% to equity
1	Promoters	16	32,31,050	6.9093
2	Promoters Body Corporates	3	3,18,23,750	68.0522
3	Body Corporates	53	71,77,935	15.3494
4	Resident Individuals	1762	40,07,044	8.5687
5	Clearing Members	28	5,21,928	1.1161
6	Non Resident Individuals	10	2,043	0.0043
	Total	1872	4,67,63,750	100.0000

i) Shareholding Pattern as on March 31, 2019



j) Dematerialization of Shares and Liquidity

As per SEBI requirement, the Company enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Company's shares are available for trading under both the depository systems in India. The International Securities Identification Number (ISIN) allotted to the Company's share under the Depository System is INE452L01012. The Company has paid annual custody fee for the financial year 2018-19 to NSDL and CDSL, the depositories. As on 31st March, 2019, 4,67,63,749 Equity Shares of the Company representing almost 100.00 % of the issued and subscribed share capital stood dematerialized.

k) Listing of Shares on Stock Exchanges with Stock Code

Name of the Stock Exchange	Stock code / Symbol
National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai-400 051	ADHUNIKIND
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001.	538365
The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata-700 001.	10028188
ISIN No.-	INE452L01012

The annual listing fee for the year 2018-19 has been paid to the above stock exchanges.

l) Depository Services

National Securities Depository Limited

Trade World, A Wing, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013
Tel.: (022) 2499 4200; Fax: (022) 2497 6351
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, 25th Floor,
NM Joshi Marg, Lower Parel (East)
Mumbai-400013
Tel.: (022) 2302 3333; Fax: (022) 2300 2035
E-mail: helpdesk@cdslindia.com
Website: www.cdslindia.com

Custodial fees to Depositories: The custodial fee has been paid to NSDL and CDSL up-to 31st March, 2019.

m) Financial Calendar Tentative

Financial Year 2019-20		
1	First quarter results	Within August 14, 2019
2	Second quarter and half-year results	Within November 14, 2019
3	Third quarter results	Within February 14, 2020
4	Annual Result	Within May 30, 2020

n) Dividend history for last 10 years are as under:

Financial year	Dividend per share (₹)	Total dividend (₹ in lakhs)
2018-19	Nil	Nil
2017-18	Nil	Nil
2016-17	Nil	Nil
2015-16	Nil	Nil
2014-15	Nil	Nil
2013-14	Nil	Nil
2012-13	Nil	Nil
2011-12	Nil	Nil
2010-11	1.00	467.64
2009-10	1.00	467.64
2008-09	1.00	2.00

o) Secretarial Audit

The Company undertook the Secretarial Audit of records and documents in accordance with Section 204 of the Companies Act, 2013 and the Rules made thereunder. The Secretarial Audit Report confirms that the Company has complied inter alia with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and all the Regulations and Guidelines of the Securities and Exchange Board of India (SEBI) as applicable to the Company, including the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Issue and Listing of Debt Securities) Regulations, 2008. The Secretarial Audit Report for the financial year ended March 31, 2019 is provided in the Annual Report.

p) Outstanding Gdrs/ Adrs/ Warrants or any Convertible Instruments, Conversion date and likely Impact on Equity

Not applicable

q) Plant Location :

Rolling Mill

Raturia Industrial Area, Angadpur
Durgapur-713 215, West Bengal, India

Wind Mill

Nandurbar, Dhule, Maharashtra

r) Investors Correspondence

All queries of investors regarding the Company's shares or other matters may be sent at the following addresses:

The Company Secretary Adhunik Industries Limited Lansdowne Towers 2/1A, Sarat Bose Road Kolkata – 700020 Tel no. 91-33-30517100 Fax no. 91-33-22890285 E-mail: investorsail@adhunikgroup.co.in	or	M/s Maheshwari Datamatics Pvt. Limited. 23, R. N. Mukherjee Road, 5 th Floor Kolkata- 700 001 Tel no. 91-33-22435809/5029 Fax no. 91-33-22484787
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s) List of credit ratings obtained by the company along with any revisions thereto during the relevant financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the company involving mobilization of funds, whether in India or abroad is available on the company's website www.adhunikindustries.com

Rating Agency	Instrument	Rating	Outlook	Effective from
India Ratings & Research Pvt. Ltd	Fund Based Limits	IND BB	Stable	With effect from 30/01/2019
	Non-Fund Based Limits	IND A4+		
	Fund Based Limits	IND B-	Stable	With effect from 02/04/2018
	Non-Fund Based Limits	IND A4		
	Long Term Loans and Fund Based and Non Fund Based Limits	IND D		At the beginning of the year.

For and on behalf of the Board

Registered office

14 Netaji Subhas Road
2nd Floor, Kolkata - 700001
Date: 28.05.2019

Sd/-

Mahesh Kumar Agarwal

Chairman
(DIN: 00507690)

Sd/

Jugal Kishore Agarwal

Managing Director
(DIN: 00227460)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Adhunik Industries Limited
14 N S Road 2nd Floor,
Kolkata-700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adhunik Industries Limited having CIN L27100WB1979PLC032200 and having registered office at 14 N S Road 2nd Floor, Kolkata-700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	JUGAL KISHORE AGARWAL	00227460	30/09/2009
2	MAHESH KUMAR AGARWAL	00507690	27/08/2003
3	MOHAN LAL AGARWAL	01047906	27/08/2003
4	ASIT BARAN DASGUPTA	02476594	26/06/2013
5	SHILPI MODI	02706881	06/12/2018
6	SONAM AGARWAL	08054202	12/02/2018

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

For **M R & Associates**
Company Secretaries

Sd/-

M. R. Goenka
Partner

FCS No.: 4515
CP No.: 2551

Place: Kolkata
Date: May 28, 2019

CEO AND CFO COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, Jugal Kishore Agarwal, Managing Director and Ajay Kumar Bhuwania, Chief Financial Officer, responsible for the finance function certify that:

- (A) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief :
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- (C) 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 listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the auditors and the audit committee :
- a. significant changes, if any, in internal control over financial reporting during the year;
 - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-

Jugal Kishore Agarwal

Managing Director

DIN: 00227460

Sd/-

Ajay Kumar Bhuwania

Chief Financial Officer

Place: Kolkata

Date: May 28, 2019.

Company Secretary Certificate regarding compliance of conditions of Corporate Governance

To,
The Members
M/s. Adhunik Industries Limited

Re: Certificate regarding compliance of conditions of Corporate Governance

1. We have examined the compliance of conditions of Corporate Governance by Adhunik Industries Limited ("the Company") for the year ended on March 31, 2019, as stipulated in Schedule V and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations 2015"].
2. The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our Examination has been limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations.
4. We 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.

For MR & Associates
Company Secretaries

Sd/-
Mohan Ram Goenka
Partner
C.P. No. 2551

Place: Kolkata
Date: 28.05.2019

DECLARATION BY CEO ON CODE OF CONDUCT

To
The Members
M/s. Adhunik Industries Limited

Pursuant to Regulation 17 and Schedule V read with regulations 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Jugal Kishore Agarwal, Managing Director of Adhunik Industries Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2019.

Sd/-
Jugal Kishore Agarwal
Managing Director
DIN: 00227460

Place: Kolkata
Date: 28.05.2019

Financial Section

Independent Auditor's Report

To the Members of
Adhunik Industries Limited

Opinion

We have audited the financial statements of M/s. Adhunik Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Independent Auditor's Report (Contd.)

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure-'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

Independent Auditor's Report *(Contd.)*

- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- (g) With respect to the other matters to be included in the 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. Company does not have any pending litigations which would impact its financial position in its Standalone Ind AS financial statements.
 - ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Sudhir Kumar Jain & Associates**
(Chartered Accountants)
Firm Regn No: 318016E

Sd/-
CA. S Jain
(Partner)

Membership No. 053537

Place: Kolkata
Date: 28th Day of May 2019

Annexure 'A' to the Independent Auditors Report

The Annexure referred to in our report to the members of Adhunik Industries Limited ('The Company') for the year ended March' 2019.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, 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 asset by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, 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 size of the company and the nature of its assets.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deed of immovable property held in the name of the company.
- ii. The company has a regular programme of physical verification of its inventory by which inventories are physically verified in regular intervals by the management.
- iii. According to information and explanation given to us and on the basis of our examination of the books of accounts, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph 3 of clause iii (a) and iii (b) of the order are not applicable to the company.
- iv. According to information and explanation given to us and on the basis of examination of the books of accounts, the company has complied provision of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantee and security.
- v. According to the information and explanation given to us, the company has not accepted any deposits, and accordingly, the provisions of paragraph 3 of clause v of the Order are not applicable to the Company.
- vi. As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, and we are of the opinion that prima facie such prescribed accounts and records have been made and maintained.
- vii. (a) According to the records, the company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods & service Tax, custom duty, cess and any other statutory dues applicable to the Company with appropriate authorities during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods & service Tax, custom duty, cess and any other statutory dues were in arrears as at 31st March, 2019 for a period of more than six month from the date they became payable.

 - (b) According to the information and explanations given to us, there is no material dues of income tax or service tax or custom duty or excise duty or value added tax or cess which have not been deposited on account of any dispute;
- viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the company has not defaulted in repayment of dues to a financial institution or bank.
- ix. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised;
- x. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, there is no any fraud by the company and any fraud on the company by its officers or employees has been noticed or reported during the year.

Annexure 'A' to the Independent Auditors Report (Contd.)

- xi. According to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Therefore, the provisions of paragraph 3 of clause xii of the order is not applicable to the company.
- xiii. Based on our audit procedures and on the information and explanations given to us, we report that transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable Indian accounting standards.
- xiv. According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the financial year covered by our audit. Consequently, the provisions of paragraph 3 of clause xiv of the order is not applicable to the company.
- xv. Based on our audit procedures and on the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Consequently, the provisions of paragraph 3 of clause xv of the order is not applicable to the company.
- xvi. Based on our audit procedures and on the information and explanations given to us, the company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sudhir Kumar Jain & Associates**
(Chartered Accountants)
Firm Regn No: 318016E

Sd/-
CA. S Jain
(Partner)

Membership No. 053537

Place: Kolkata
Date: 28th Day of May 2019

Annexure 'B' to the Independent Auditors Report

Report on the Internal Financial Controls over financial reporting 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 Adhunik Industries Limited ('the Company') as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Annexure 'B' to the Independent Auditors Report *(Contd.)*

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sudhir Kumar Jain & Associates**
(Chartered Accountants)
Firm Regn No: 318016E

Sd/-

CA. S Jain

(Partner)

Membership No. 053537

Place: Kolkata
Date: 28th Day of May 2019

Balance Sheet as at 31st March, 2019

	Notes	As at 31st March 2019	As at 31st March 2018
(Amount in ₹)			
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	46,79,47,268	50,45,46,659
(b) Financial assets:			
(i) Investments	4	1,10,000	1,40,800
(ii) Other financial assets	5	79,63,803	87,14,751
Total Non-Current Assets		47,60,21,071	51,34,02,210
Current Assets			
(a) Inventories	6	55,97,63,777	96,80,56,732
(b) Financial assets:			
(i) Trade receivables	7	77,09,03,766	87,32,05,322
(ii) Cash and cash equivalents	8	2,76,77,960	2,78,19,429
(iii) Bank balance other than (ii) above	9	86,96,347	5,96,16,012
(iv) Other financial assets	5	7,65,00,000	7,65,00,000
(c) Other current assets	10	11,13,07,968	33,39,85,513
Total Current Assets		1,55,48,49,818	2,33,91,83,008
Total Assets		2,03,08,70,889	2,85,25,85,218
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	46,76,37,500	46,76,37,500
(b) Other equity	12	66,87,63,461	63,07,46,595
Total Equity		1,13,64,00,961	1,09,83,84,095
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities:			
(i) Borrowings	13	-	-
(ii) Other financial liabilities	16	20,14,74,523	21,68,30,546
(b) Provisions	18	49,79,335	41,06,254
(c) Deferred tax Liabilities (net)	14	9,12,35,209	9,30,74,391
Total Non-Current Liabilities		29,76,89,067	31,40,11,191
Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	13	34,28,31,759	72,49,02,543
(ii) Trade payables	15	16,66,46,138	50,42,62,442
(iii) Other financial liabilities	16	3,19,53,603	19,36,712
(b) Other current liabilities	17	4,69,38,298	20,85,80,537
(c) Provisions	18	84,11,063	5,07,698
Total Current Liabilities		59,67,80,861	1,44,01,89,932
Total Equity and Liabilities		2,03,08,70,889	2,85,25,85,218
Summary of significant accounting policies	2		

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

As per our report of even date

For Sudhir Kumar Jain & Associates

Firm Regn No: 318016E

Chartered Accountants

Sd/-

CA. S. Jain

(Partner)

Membership No. 053537

Place: Kolkata

Date: 28th May 2019

For and on behalf of the Board of Directors

Sd/-

Jugal Kishore Agarwal

Managing Director

DIN : 00227460

Sd/-

Ajay Bhuwania

Chief Financial Officer

Sd/-

Mahesh Kumar Agarwal

Chairman

DIN : 00507690

Sd/-

Bharat Agarwal

Company Secretary

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

(Amount in ₹)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	19	6,70,41,45,675	4,87,15,94,543
Other income	20	62,57,436	71,62,772
Total revenue		6,71,04,03,111	4,87,87,57,315
Expenses			
Cost of materials consumed	21	6,09,87,47,542	4,01,49,90,645
Change in inventories of stock-in-trade, by-products and finished goods	22	2,03,97,474	20,09,52,511
Excise duty on sale of goods		-	6,41,23,735
Employee benefits expenses	23	4,56,71,051	3,11,70,359
Finance costs	24	8,92,47,830	15,16,15,766
Depreciation and amortization expenses	25	3,65,99,391	3,67,59,018
Other expenses	26	36,65,78,718	30,93,75,977
Total expenses		6,65,72,42,006	4,80,89,88,011
Profit/(Loss) before tax		5,31,61,105	6,97,69,304
Less: Tax expenses :			
Current tax		1,78,62,347	2,21,77,761
Deferred tax		(17,90,291)	(10,55,899)
Income tax relating to earlier years		(10,56,176)	38,120
Profit/(Loss) for the year		3,81,45,225	4,86,09,322
Other Comprehensive Income/(Expenses) (OCI)			
A. Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		(1,46,450)	1,12,359
Less: Income tax effect		(48,891)	37,149
		(97,559)	75,210
Net (loss)/gain on FVTOCI equity securities		(30,800)	(1,37,200)
Less: Income tax effect		-	-
		(30,800)	(1,37,200)
B. Items that will be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		-	-
Less: Income tax effect		-	-
		-	-
Other Comprehensive Income/(Expenses) (OCI), net of taxes		(1,28,359)	(61,990)
Total Comprehensive Income /(Loss) for the year		3,80,16,866	4,85,47,332
Earnings per equity share [nominal value ₹ 10 per share]	27		
Basic (₹)		0.81	1.04
Diluted (₹)		0.81	1.04
Summary of significant accounting policies	2		

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

As per our report of even date

For Sudhir Kumar Jain & Associates

Firm Regn No: 318016E

Chartered Accountants

Sd/-

CA. S. Jain

(Partner)

Membership No. 053537

Place: Kolkata

Date: 28th May 2019

For and on behalf of the Board of Directors

Sd/-

Jugal Kishore Agarwal

Managing Director

DIN : 00227460

Sd/-

Ajay Bhuwania

Chief Financial Officer

Sd/-

Mahesh Kumar Agarwal

Chairman

DIN : 00507690

Sd/-

Bharat Agarwal

Company Secretary

Cash Flow Statement for the year ended 31st March, 2019

(Amount in ₹)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A: Cash Flow From Operating Activities :		
Profit before Tax	5,31,61,105	6,97,69,304
Adjustments for :		
Depreciation and amortisation expense	3,65,99,391	3,67,59,018
Provision for Gratuity	10,81,043	6,29,702
Remeasurement gains/(losses) on defined benefit plans	(1,46,450)	1,12,359
Interest income	(37,80,303)	(40,87,972)
Interest & finance charges	8,92,47,830	15,16,15,766
Operating Profit Before Working Capital Changes	17,61,62,616	25,47,98,177
Movements in Working Capital :		
Increase / (decrease) in trade payables and other liabilities	(48,45,29,675)	22,35,53,461
(Increase) / decrease in trade receivables	10,23,01,555	54,31,690
(Increase) / decrease in loans and advances and other assets*	21,92,59,116	(5,89,59,308)
(Increase) / decrease in inventories	40,82,92,956	(8,72,69,527)
Cash Generated From Operations	42,14,86,568	33,75,54,493
Direct taxes paid (Net of refunds)	(49,41,391)	(1,31,844)
Net Cash Generated/(Used) From Operating Activities (A)	41,65,45,177	33,74,22,649
B: Cash Flow From Investing Activities :		
Investment in/(maturity of) fixed Deposit (Net)	5,08,51,665	82,56,707
Interest received	37,80,303	40,87,972
Net Cash from Investing Activities (B)	5,46,31,968	1,23,44,679
C: Cash Flow From Financing Activities :		
Repayment of long-term borrowings	-	(3,65,43,238)
(Repayment)/ proceeds from working capital loan (Net)	(38,20,70,784)	(13,95,84,682)
Interest & finance charges paid	(8,92,47,830)	(15,16,15,766)
Net Cash Used in Financing Activities (C)	(47,13,18,614)	(32,77,43,686)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	(1,41,469)	2,20,23,642
Cash & Cash Equivalents at the beginning of the year	2,78,19,429	57,95,787
Cash & Cash Equivalents at the end of the year	2,76,77,960	2,78,19,429

* Includes both current and non-current items

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.

Notes :-

Components of Cash and Cash Equivalents

(Amount in ₹)

	As at 31st March 2019	As at 31st March 2018
Cash in hand	3,89,639	13,35,888
Balances with Banks in :		
- Current Accounts	2,72,88,321	2,64,83,541
Total Cash & Cash Equivalents	2,76,77,960	2,78,19,429
Summary of Significant Accounting Policies	2	

As per our report of even date

For Sudhir Kumar Jain & Associates

Firm Regn No: 318016E

Chartered Accountants

Sd/-

CA. S. Jain

(Partner)

Membership No. 053537

Place: Kolkata

Date: 28th May 2019

For and on behalf of the Board of Directors

Sd/-
Jugal Kishore Agarwal
Managing Director

DIN : 00227460

Sd/-
Ajay Bhuwania
Chief Financial Officer

Sd/-
Mahesh Kumar Agarwal
Chairman

DIN : 00507690

Sd/-
Bharat Agarwal
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2019

(Amount in ₹)

A EQUITY SHARE CAPITAL				
	As at		As at	
	31st March 2019		31st March 2018	
At the beginning of the year	46,76,37,500		46,76,37,500	
Add: Addition during the year	-		-	
At the End of the year	46,76,37,500		46,76,37,500	
B OTHER EQUITY				
	Reserve & Surplus	Item of Other Comprehensive Income		Total Equity
	Retained Earning	Re-measurement of net defined benefit plans	Others	
Balance as at 31st March 2017	58,20,70,041	2,51,222	(1,22,000)	58,21,99,263
Add: Profit/(Loss) for the year	4,86,09,322	-	-	4,86,09,322
Add: Other Comprehensive Income for the year	-	75,210	(1,37,200)	(61,990)
Balance as at 31st March 2018	63,06,79,363	3,26,432	(2,59,200)	63,07,46,595
Add: Profit/(Loss) for the year	3,81,45,225	-	-	3,81,45,225
Add: Other Comprehensive Income for the year	-	(97,559)	(30,800)	(1,28,359)
Balance as at 31st March 2019	66,88,24,588	2,28,873	(2,90,000)	66,87,63,461

As per our report of even date

For Sudhir Kumar Jain & Associates

Firm Regn No: 318016E

Chartered Accountants

Sd/-

CA. S. Jain

(Partner)

Membership No. 053537

Place: Kolkata

Date: 28th May 2019

For and on behalf of the Board of Directors

Sd/-

Jugal Kishore Agarwal

Managing Director

DIN : 00227460

Sd/-

Ajay Bhuwania

Chief Financial Officer

Sd/-

Mahesh Kumar Agarwal

Chairman

DIN : 00507690

Sd/-

Bharat Agarwal

Company Secretary

Notes to Financial Statements as at and for the year ended 31st March, 2019

1. CORPORATE INFORMATION

Adhunik industries Limited (the Company) is a public limited company domiciled in India with its registered office located at 14 N. S. Road, 2nd Floor, Kolkata - 700001, West Bengal. Its equity shares are listed on stock exchanges in India. The Company is primarily engaged in the manufacturing and sale of iron and steel related rolled products. The Company has manufacturing facilities in Durgapur, West Bengal. The Corporate Identification Number (CIN) of the company is L27100WB1979PLC032200.

2. SIGNIFICANT ACCOUNTING POLICIES

A) Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind ASs issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

B) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or non-current classification of assets and liabilities.

The financial statements have been prepared on historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

C) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating 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.

Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

D) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

E) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

F) Intangible Assets

Intangible assets are capitalized on the basis of costs incurred to bring the specific intangibles to its intended use. These costs are amortized on a straight line basis over their estimated useful life of three years.

G) Depreciation and amortisation of property, plant and equipment and intangible assets

- (i) Depreciation is provided prorata basis on straight line method at the rates determined based on estimated useful lives of tangible assets where applicable, specified in Schedule II to the Act. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use. Depreciation on assets under construction commences only when the assets are ready for their intended use.
- (ii) Freehold land is not depreciated.
- (iii) Leasehold Land is amortised over the tenure of respective leases.
- iv) Company do not have any intangible assets.

H) Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

I) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

- (i) **Operating lease** – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.
- (ii) **Finance lease** – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation 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 over the period of the lease.

J) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Cash and bank balances

Cash and bank balances consist of:

- (i) **Cash and cash equivalents** - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- (ii) **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets 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.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL B73 which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are measured at fair value.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. These derivatives contracts do not generally extend beyond six months except for interest rate derivatives.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

K) Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs. Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

L) Inventories

- (a) Raw Materials, Stores & Spares & Packing Materials are valued at lower of cost computed on FIFO basis and net realizable value.
- (b) Finished Goods are valued at lower of cost computed on weighted average basis or net realizable value. Cost of finished goods includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- (c) By-products are valued at net realizable value.
- (d) Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

M) Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

N) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

O) Income taxes

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

P) Revenue Recognition

Revenue is recognised to the extent that 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 net of discounts, taking into account contractually defined terms excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from the sale of goods is 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.

Sale of Services

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

Interest Income, Dividend and Claims

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable

Dividend Income is recognised when the right to receive payment is established.

Insurance Claims/ Other claims are accounted as and when admitted/ settled.

Other Operating Revenue

Export incentive and subsidies are recognised when there is a reasonable assurance that the company will comply with the conditions and the incentive will be received.

Revenue from the sale of By products is 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.

Q) Foreign currency transactions and translations

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-“First time adoption of Indian Accounting Standard” are recognised directly in equity or added/deducted to/from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

R) Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in onnection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

S) Cash and Cash Equivalents

Cash and cash equivalents as indicated in cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T) Segment Reporting

Identification of Segments

The Company has identified Iron & Steel products as its sole operating segment and the same has been treated as primary segment. The Company's secondary geographical segments have been identified based on the location of customers and then demarcated into Indian and overseas revenue earnings.

U) 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.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

3 PROPERTY, PLANT & EQUIPMENT	(Amount in ₹)											
	Tangible Assets											
	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Vehicles	Computers	Furniture & Fixtures	Office Equipments	Total			
Gross Block (At Cost):												
As at 1st April, 2017	17,00,000	84,29,270	17,34,13,783	68,10,62,058	38,55,727	28,93,611	6,63,212	44,72,863				87,64,90,524
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2018	17,00,000	84,29,270	17,34,13,783	68,10,62,058	38,55,727	28,93,611	6,63,212	44,72,863				87,64,90,524
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2019	17,00,000	84,29,270	17,34,13,783	68,10,62,058	38,55,727	28,93,611	6,63,212	44,72,863				87,64,90,524
Accumulated Depreciation/Amortisation:												
As at 1st April, 2017	-	12,79,031	5,15,68,952	27,17,32,498	36,67,535	26,04,501	6,31,286	37,01,044				33,51,84,847
Charge for the year	-	98,387	54,10,353	3,08,81,358	2,239	88,343	-	2,78,338				3,67,59,018
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2018	-	13,77,418	5,69,79,305	30,26,13,856	36,69,774	26,92,844	6,31,286	39,79,382				37,19,43,865
Charge for the year	-	98,387	54,10,353	3,08,81,358	-	59,880	-	1,49,413				3,65,99,391
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2019	-	14,75,805	6,23,89,658	33,34,95,214	36,69,774	27,52,724	6,31,286	41,28,795				40,85,43,256
Net Block												
As at 31st March 2019	17,00,000	69,53,465	11,10,24,125	34,75,66,844	1,85,953	1,40,887	31,926	3,44,068				46,79,47,268
As at 31st March 2018	17,00,000	70,51,852	11,64,34,478	37,84,48,202	1,85,953	2,00,767	31,926	4,93,481				50,45,46,659

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

4 INVESTMENTS (AT COST)		
	As at 31st March 2019	As at 31st March 2018
Long term investments (other than trade)		
Quoted equity shares		
Investment in Other Company		
40,000 (40,000) Equity Shares of ₹ 10 each fully paid-up in Adhunik Metaliks Limited	1,10,000	1,40,800
	1,10,000	1,40,800
Market value of Quoted Investments	1,10,000	1,40,800

Company has invested in 40,000 quoted equity shares in Adhunik Metaliks Limited. However a Corporate Insolvency Resolution Process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 was initiated against the Company and the final outcome is yet to be decided by the appropriate authority. The value stated in the above is the market value as on reporting date. The recovery value of the investment depends upon the result of the CIRP.

5 OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise)		
	As at 31st March 2019	As at 31st March 2018
A. Non Current		
Security Deposits	79,63,803	87,14,751
Others	-	-
Total	79,63,803	87,14,751
B. Current		
Security deposits	7,65,00,000	7,65,00,000
Others	-	-
Total	7,65,00,000	7,65,00,000

6 INVENTORIES (valued at lower of cost and net realizable value)		
	As at 31st March 2019	As at 31st March 2018
Raw Materials	24,94,51,495	64,56,62,091
Raw Materials in transit	1,03,74,445	59,62,408
Finished Goods	26,85,08,840	28,76,64,117
Finished Goods in transit	-	-
By Products	92,25,782	1,04,67,979
	53,75,60,562	94,97,56,595
Stores & Spares	2,05,99,056	1,83,00,137
Stores & Spares in transit	16,04,159	-
	55,97,63,777	96,80,56,732

Details of Stock of Finished Goods

	As at 31st March 2019	As at 31st March 2018
Rolled Products	26,85,08,840	28,76,64,117
	26,85,08,840	28,76,64,117

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

7 TRADE RECEIVABLES (Unsecured)		
	As at 31st March 2019	As at 31st March 2018
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	32,70,07,943	35,53,39,695
Doubtful	-	-
	32,70,07,943	35,53,39,695
Less: Provision for doubtful receivables	-	-
	(A) 32,70,07,943	35,53,39,695
Other trade receivables (considered good)	(B) 44,38,95,823	51,78,65,627
Total	(A+B) 77,09,03,766	87,32,05,322

8 CASH AND CASH EQUIVALENTS		
	As at 31st March 2019	As at 31st March 2018
Balances with banks:		
On current accounts	2,72,88,321	2,64,83,541
Cash in hand	3,89,639	13,35,888
	2,76,77,960	2,78,19,429

9 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	As at 31st March 2019	As at 31st March 2018
Unpaid dividend account #	-	68,000
Margin money deposit ##	86,96,347	5,95,48,012
	86,96,347	5,96,16,012

Unclaimed dividend of earlier years aggregating to ₹ 68,000/- held in separate bank account, which is liable to be transferred to Investor Education Protection Fund (IEPF), has been duly transferred during the year.

Margin money lying with Banks as collaterals against working capital facilities, guarantees and letters of credit issued by them.

10 CASH AND CASH EQUIVALENTS (Unsecured, considered good unless stated otherwise)		
	As at 31st March 2019	As at 31st March 2018
Current		
Advances recoverable in cash or kind		
Considered good - To Related Parties	-	-
Considered good - To Others	8,55,266	7,03,141
Doubtful - To Others	-	-
	8,55,266	7,03,141
Provision for doubtful advances	-	-
	(A) 8,55,266	7,03,141
Prepaid expenses	2,73,024	2,35,745
Accrued Income	1,31,795	4,70,370
Advance Payment to suppliers	1,20,07,954	8,01,55,540
Balances with statutory / Government authorities	8,82,56,970	24,23,74,080
Advance income-tax (Net of current tax)	-	41,69,377
Export Benefits Receivable	97,82,959	58,77,260
	(B) 11,04,52,702	33,32,82,372
Total	(A+B) 11,13,07,968	33,39,85,513

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

11 SHARE CAPITAL		
	As at 31st March 2019	As at 31st March 2018
Authorized shares		
10,00,00,000 (10,00,00,000) Equity Shares of ₹ 10 each	1,00,00,00,000	1,00,00,00,000
Issued, subscribed and fully paid-up shares		
4,67,63,750 (4,67,63,750) Equity Shares of ₹ 10 each fully paid up	46,76,37,500	46,76,37,500
	46,76,37,500	46,76,37,500

(a) Reconciliation of no. of Shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2019	As at 31st March 2018
At the beginning of the year	4,67,63,750	4,67,63,750
Issued during the period	-	-
At the end of the year	4,67,63,750	4,67,63,750

(b) Terms/rights attached to equity shares

- The Company has only one class of issued shares i.e. equity shares having nominal value of ₹10 per share. Each holder of equity share is entitled to one vote per share and equal right for dividend. The dividend (if any) proposed by the Board of Directors is subject to the approval of share holders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after payment of all the preferential amounts, in proportion to their shareholding.
- During the period ended 31st March 2019 the amount of dividend per share recognized as distribution to equity shareholders is ₹ Nil per share (₹ Nil per share).

(c) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date is Nil.

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

Name of the Shareholder	As at 31st March 2019	As at 31st March 2018
Equity shares of ₹ 10 each fully paid		
Mahananda Suppliers Limited	1,66,00,000	1,66,00,000
% holding	35.50%	35.50%
Sungrowth Share & Stocks Limited	1,48,83,750	1,48,83,750
% holding	31.83%	31.83%
Vrindavan Advisory Services LLP	43,34,606	43,34,606
% holding	9.27%	9.27%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

12 OTHER EQUITY		
	As at 31st March 2019	As at 31st March 2018
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	63,06,79,363	58,20,70,041
Profit/(Loss) for the year	3,81,45,225	4,86,09,322
Net surplus in the statement of profit and loss	66,88,24,588	63,06,79,363
Items of Other Comprehensive Income		
Balance as per the last financial statements	67,232	1,29,222
Remeasurement of Defined Benefit Plan	(97,559)	75,210
Gain/(losses) from investment in equity instrument designated at FVTOCI	(30,800)	(1,37,200)
	(61,127)	67,232
Total reserves and surplus	66,87,63,461	63,07,46,595

13 BORROWINGS		
	As at 31st March 2019	As at 31st March 2018
A. Non Current		
A) Secured		
Term Loans from :		
Banks	-	-
Financial Institutions	-	-
Total	-	-
B. Current		
Cash credits from banks	34,28,31,759	72,49,02,543
Total	34,28,31,759	72,49,02,543

(i) Cash credits from banks are secured by way of:

- Pari passu first charge by way of hypothecation on stock, book debts and other current assets of the company related to factory at Raturia, Andagpur, Durgapur.
- Pari Passu first charge on immovable and movable fixed assets related to factory at Raturia, Andagpur, Durgapur.
- Guarantee have been provided by the Directors/Promoters in their personal capacity.

14 DEFERRED TAX LIABILITIES (NET)		
	As at 31st March 2019	As at 31st March 2018
Balance as per last financial statements (A)	9,30,74,391	9,40,93,141
Add: Deferred Tax Liability/ (Asset) recognised for the year		
Temporary difference with respect to Property, Plant & Equipment	(14,63,476)	(8,10,552)
Provision for Employee benefits u/s 43B of Income Tax Act, 1961	(3,26,815)	(2,45,347)
(B)	(17,90,291)	(10,55,899)
Add: Deferred Tax Liability/ (Asset) recognised for the year through OCI		
Remeasurement of defined benefit obligations through OCI	(48,891)	37,149
(C)	(48,891)	37,149
Deferred tax Liabilities (Net) (A+B+C)	9,12,35,209	9,30,74,391

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

14.1 Components of Net Deferred tax assets as on the balance sheet date are as follows:		
	As at 31st March 2019	As at 31st March 2018
Deferred tax liabilities on		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	9,31,36,426	9,45,99,902
(A)	9,31,36,426	9,45,99,902
Deferred tax assets on		
Other timing differences	19,01,217	15,25,511
(B)	19,01,217	15,25,511
Deferred tax Liabilities (Net)	(A+B)	9,12,35,209
	9,12,35,209	9,30,74,391

15 TRADE PAYABLES		
	As at 31st March 2019	As at 31st March 2018
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16,66,46,138	50,42,62,442
	16,66,46,138	50,42,62,442

Trade Payable include ₹ NIL (₹ NIL) due to small scale and ancillary industry undertakings (SSI) to the extent such parties have been identified from the available documents / informations.

15.1 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information available with the company regarding the status of suppliers.

	As at 31st March 2019	As at 31st March 2018
a) Principal & Interest amount remaining unpaid but not due as at year end	Nil	Nil
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
d) Interest accrued and remaining unpaid as at year end	Nil	Nil
e) Further 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 enterprise	Nil	Nil

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

16 OTHER FINANCIAL LIABILITIES		
	As at 31st March 2019	As at 31st March 2018
A. Non Current		
Other payable	20,14,74,523	21,68,30,546
	20,14,74,523	21,68,30,546
B. Current		
Unpaid Dividend #	-	68,000
Employee related liabilities	30,85,394	18,68,712
Book Overdraft	2,80,38,709	-
Others	8,29,500	-
	3,19,53,603	19,36,712

Unclaimed dividend of earlier years aggregating to ₹ 68,000/- held in separate bank account, which is liable to be transferred to Investor Education Protection Fund (IEPF), has been duly transferred during the year.

17 OTHER CURRENT LIABILITIES		
	As at 31st March 2019	As at 31st March 2018
Advance from customers	4,54,17,305	20,70,58,621
Statutory Liabilities	15,20,993	15,21,916
	4,69,38,298	20,85,80,537

18 PROVISIONS		
	As at 31st March 2019	As at 31st March 2018
A. Non Current		
Provision for employee benefits:		
Gratuity (Refer Note No. 29)	49,79,335	41,06,254
	49,79,335	41,06,254
B. Current		
Provision for employee benefits:		
Gratuity (Refer Note No. 29)	7,15,660	5,07,698
Provision for taxation:		
Current Tax (Net of TDS & Advance Tax)	76,95,403	-
	84,11,063	5,07,698

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

19 REVENUE FROM OPERATIONS		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Revenue from operations		
Sale of products		
Finished goods	6,46,28,20,428	4,61,89,48,706
Sale of Services	1,18,10,047	9,83,28,962
Other operating revenue		
Sale of By-Products	22,52,86,215	14,51,48,680
Export Benefits	42,28,985	91,68,195
Revenue from operations	6,70,41,45,675	4,87,15,94,543
	For the year ended 31st March 2019	For the year ended 31st March 2018
Finished goods		
Rolled Product	6,46,28,20,428	4,61,89,48,706
	6,46,28,20,428	4,61,89,48,706
By Product		
Misroll & End Cutting	20,36,05,768	13,03,90,164
TMT Cutting	2,16,80,447	1,47,58,516
	22,52,86,215	14,51,48,680
20 OTHER INCOME		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest income on		
Bank deposits	13,95,317	37,30,744
Income Tax Refund	23,84,986	3,57,228
Gain on foreign exchange fluctuation (net)	5,09,335	30,74,800
Miscellaneous Income	19,67,798	-
	62,57,436	71,62,772
21 COST OF MATERIALS CONSUMED		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Opening Stock of Raw Materials	64,56,62,091	36,43,80,126
Add: Purchases	5,70,25,36,946	4,29,62,72,610
	6,34,81,99,037	4,66,06,52,736
Less: Closing Stock	24,94,51,495	64,56,62,091
Cost of raw materials consumed	6,09,87,47,542	4,01,49,90,645

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Details of materials consumed

	For the year ended 31st March 2019	For the year ended 31st March 2018
Billet/ Ingot	5,88,10,90,121	3,85,50,75,335
CBM Gas	18,25,44,391	11,03,85,002
Others	3,51,13,030	4,95,30,308
	6,09,87,47,542	4,01,49,90,645

22 CHANGE IN INVENTORIES OF FINISHED GOODS AND BY-PRODUCTS

	For the year ended 31st March 2019	For the year ended 31st March 2018	(Increase)/ Decrease
Inventories at the end of the year:			
Finished Goods	26,85,08,840	28,76,64,117	1,91,55,277
By Products	92,25,782	1,04,67,979	12,42,197
	(A) 27,77,34,622	29,81,32,096	2,03,97,474
Inventories at the beginning of the year:			
Finished Goods	28,76,64,117	49,73,05,202	20,96,41,086
By Products	1,04,67,979	17,79,405	(86,88,575)
	(B) 29,81,32,096	49,90,84,607	20,09,52,511
	(B-A) 2,03,97,474	20,09,52,511	

23 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries, wages and bonus	3,86,30,969	2,51,39,777
Contribution to provident fund	25,36,514	21,98,227
Gratuity expense (Refer Note No. 29)	7,30,737	8,32,355
Managing Directors' Remuneration (Refer Note No. 23.1)	30,00,000	30,00,000
Workmen and Staff Welfare Expenses	7,72,831	-
	4,56,71,051	3,11,70,359

23.1 Managing Directors' Remuneration

	For the year ended 31st March 2019	For the year ended 31st March 2018
a) Director's Remuneration Paid		
Basic	15,00,000	15,00,000
House Rent Allowance	2,90,000	2,90,000
Bonus	2,50,000	2,50,000
Other	9,60,000	9,60,000
	30,00,000	30,00,000
b) Computation of Profit for the purpose of Director's Remuneration		
Profit before tax as per profit & loss account	5,31,61,105	6,97,69,304
Add : Depreciation	3,65,99,391	3,67,59,018
Director's Remuneration	30,00,000	30,00,000
	9,27,60,496	10,95,28,322
Less : Depreciation as per Companies Act, 2013	3,65,99,391	3,67,59,018
Director's Remuneration	30,00,000	30,00,000
Net profit as per Section 198 of Companies Act, 2013	5,31,61,105	6,97,69,304

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

24 FINANCE COSTS		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest:		
On Term Loans	-	17,65,274
On Cash Credit and others	8,54,05,738	13,77,81,505
Other borrowing costs	38,42,092	1,20,68,987
	8,92,47,830	15,16,15,766
25 DEPRECIATION & AMORTIZATION EXPENSE		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Depreciation of tangible assets	3,65,99,391	3,67,59,018
	3,65,99,391	3,67,59,018
26 OTHER EXPENSES		
	For the year ended 31st March 2019	For the year ended 31st March 2018
Consumption of Stores and Spares	2,44,05,150	1,47,89,459
Power and Fuel	19,34,62,905	17,64,24,727
Operation and Maintenance Charges	93,60,051	83,03,452
Excise duty on increase/(decrease) in inventory	-	(3,19,81,315)
Freight and Forwarding Charges	72,39,839	1,35,00,904
Rent	2,00,50,000	4,32,750
Rates and Taxes	85,32,323	3,62,34,542
Legal and Professional Charges	38,55,601	39,47,740
Insurance	4,78,064	4,47,350
Repairs to and Maintenance of :		
Buildings	7,08,619	12,29,316
Machinery	3,94,64,919	4,39,44,592
Others	74,10,069	54,85,950
Travelling and Conveyance Expenses	6,50,221	5,51,978
Motor Vehicle Expenses	12,58,418	11,80,634
Communication Costs	4,46,916	7,77,135
Payment to Auditors (Refer note no. 26.1)	2,05,900	2,45,165
Bank Charges	2,22,015	10,45,841
Account & finance maintenance charges	7,20,000	43,25,400
Rebate, discounts and other selling expenses	4,36,36,574	2,38,80,487
Other Administrative Expenses (Refer note no. 26.2)	44,71,134	46,09,870
	36,65,78,718	30,93,75,977

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

26.1 Payment to auditor's consist of the following expenses		
	For the year ended 31st March 2019	For the year ended 31st March 2018
As Auditors		
Audit Fees	1,25,000	1,25,000
Limited Review Fees	33,000	33,000
In other capacity		
Tax Audit Fees	25,000	25,000
For Certificates and Other services	22,900	62,165
	2,05,900	2,45,165

26.2 Other Administrative Expenses consist of the following expenses		
	For the year ended 31st March 2019	For the year ended 31st March 2018
- Directors' Sitting Fees	4,05,000	2,80,000
- CSR Activities	10,29,507	16,16,055
Total	14,34,507	18,96,055

27. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	For the year ended 31st March 2019	For the year ended 31st March 2018
Net Profit / (Loss) after tax for calculation of basic and diluted EPS (Amount in ₹)	3,80,16,866	4,85,47,332
Weighted average number of equity shares in calculating basic EPS	4,67,63,750	4,67,63,750
Weighted average number of equity shares in calculating diluted EPS	4,67,63,750	4,67,63,750
Nominal Value of equity shares	₹ 10	₹ 10
Basic Earnings Per Share (Amount in ₹)	0.81	1.04
Diluted Earnings Per Share (Amount in ₹)	0.81	1.04

28. Capital and other commitments

As at 31st March 2019, the Company has no commitments relating to estimated amount of contracts to be executed on capital account and not provided for.

29. Employee Benefits

I. Charge to the Statement of Profit and Loss on contributions

	For the year ended 31st March 2019	For the year ended 31st March 2018
Employer's contribution to Provident Fund and other Funds	25,36,514	21,98,227

II. Disclosures for defined benefit plans based on actuarial reports

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets Gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1972. The aforesaid scheme are unfunded and as such there are no plan assets. The below information is certified by actuary. The following table summarizes (to the extent applicable) the components of net benefits / expenses recognized in the financial statements.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(A) Changes in Defined Benefit Obligation

	As at 31st March 2019	As at 31st March 2018
	Gratuity (Unfunded)	
Present Value of Defined Benefit Obligation as at the beginning of the year	46,13,952	39,84,250
Interest Cost	3,49,661	2,92,066
Current Service Cost	7,30,737	8,32,355
Benefits Paid	(1,45,805)	(3,82,360)
Actuarial (gains)/loss	1,46,450	(1,12,359)
Present Value of Defined Benefit Obligation as at the end of the year	56,94,995	46,13,952

(B) Changes in the Fair Value of Assets

	As at 31st March 2019	As at 31st March 2018
	Gratuity (Unfunded)	
Fair Value of Plan Assets as at beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (gains)/loss	-	-
Fair Value of Plan Assets as at end of the year	-	-

(C) Amount recognised in the Balance Sheet

	As at 31st March 2019	As at 31st March 2018
	Gratuity (Unfunded)	
Present Value of Defined Benefit Obligation as at beginning of the year	46,13,952	39,84,250
Fair value of Plan Assets as at end of the year	56,94,995	46,13,952
Net Liability/(Assets) recognised in the Balance Sheet (Refer Note No. 18)	10,81,043	6,29,702

(D) Expense recognized in Statement of Profit and Loss

	For the year ended 31st March 2019	For the year ended 31st March 2018
	Gratuity (Unfunded)	
Current Service Cost #	7,30,737	8,32,355
Interest cost	3,49,661	2,92,066
Expected Return on Plan Assets	-	-
Total Expense recognized in Statement of Profit and Loss	10,80,398	11,24,421

Included in Employee Benefit Expenses.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(E) Expense recognized in the Other Comprehensive Income (OCI) for Current Year

	For the year ended 31st March 2019	For the year ended 31st March 2018
	Gratuity (Unfunded)	
(Gain)/Losses on Obligation For the Period- Due to changes in the financial assumptions	-	(84,059)
(Gain)/Losses on Obligation For the Period- Due to experience adjustment	1,46,450	(28,300)
Return on Plan Assets.	-	-
Net (Income)/Expense For the Period Recognised in OCI	1,46,450	(1,12,359)

(F) The principal assumptions used in determining gratuity and leave encashment obligations for the company's plans are shown below:

	For the year ended 31st March 2019	For the year ended 31st March 2018
Discount rate	7.70%	7.70%
Salary increase	6.00%	6.00%
Mortality table	IALM (2006-2008) ultimate table	IALM (2006-2008) ultimate table

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(G) Amounts for the current and previous four periods are as follows:

	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015
Gratuity					
Defined benefit obligation	56,94,995	46,13,952	39,84,250	33,39,003	28,83,175
Plan assets	-	-	-	-	-
Surplus/(deficit)	(56,94,995)	(46,13,952)	(39,84,250)	(33,39,003)	(28,83,175)
Experience adjustments on plan liabilities (gains)/ losses	1,46,450	(1,12,359)	(1,30,875)	(2,44,436)	2,24,967

30. Segment Information

The Company's business activity primarily falls within a single business segment i.e. Iron & steel business and hence there are no disclosures to be made under Ind AS-108, other than those already provided in the financial statements.

31. Derivative instruments and unhedged foreign currency exposure

Forward Contract

For minimizing the risk of currency exposure, the Forward Cover Contracts are of Nil (USD Nil) for trade receivables.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

32. Related Party Disclosures

a) Name of related parties and related party relationship

Director / Key Management Personnel	Mr. Jugal Kishore Agarwal (Managing Director)
	Mr. Mohan Lal Agarwal (Director)
	Mr. Chandra Shekhar Agarwal (Independent Director) (ceased w.e.f 08.09.2018)
	Mr. Mahesh Kumar Agarwal (Director)
	Mr. Asit Baran Dasgupta (Independent Director)
	Ms. Archana Gupta Sha (Independent Director) (resigned w.e.f 19.12.2017)
	Mrs. Shilpi Modi (Independent Director) (appointed w.e.f 06.12.2018)
	Mrs. Sonam Agarwal (Independent Director)
	Mr. Bikash Roy Chowdhury (Chief Financial Officer)
	Mr. Bharat Agarwal (Company Secretary)
Relatives of Key Management personnel	Mr. Ghanshyam Das Agarwal (Brother of Director)
	Mr. Manoj Kumar Agarwal (Brother of Director)
	Mr. Nirmal Kumar Agarwal (Brother of Director)
	Mr. Sachin Agarwal (Son of Director)
	Mr. Naveen Agarwal (Son of Director)
Enterprises over which Key Management Personnel / Share Holders / Relatives have significant influence	Adhunik Corporation Ltd.
	Datawave Infotech Ltd.(Formerly Adhunik Infotech Limited) (ceased w.e.f 01.04.2018)
	Adhunik Power & Natural Resource Ltd.
	Adhunik Alloys & Power Ltd. (ceased w.e.f 05.03.2019)
	Sungrowth Share & Stocks Ltd.
	Mahananda Suppliers Ltd.
	Orissa Manganese & Minerals Ltd. (ceased w.e.f 20.11.2018)
	Adhunik Metaliks Ltd. and its subsidiary

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(b) Related party transactions

Nature of Transactions	Subsidiary/ Step down Subsidiary Companies	Associate Company	Key Management Personnel and their Relatives	Enterprises over which Key Management Personnel / Share Holders / Relatives have significant influence	Total
1. In relation to Statement of Profit and Loss					
Purchase of goods / services					
Adhunik Corporation Ltd.	-	-	-	3,46,39,88,316	3,46,39,88,316
	-	-	-	(1,88,01,44,788)	(1,88,01,44,788)
Adhunik Alloys & Power Ltd.	-	-	-	1,78,22,68,233	1,78,22,68,233
	-	-	-	(1,08,81,34,465)	(1,08,81,34,465)
Revenue from Operations					
Adhunik Corporation Ltd.	-	-	-	19,22,97,678	19,22,97,678
	-	-	-	(13,19,36,335)	(13,19,36,335)
Adhunik Metaliks Ltd.	-	-	-	-	-
	-	-	-	(14,31,388)	(14,31,388)
Adhunik Power & Natural Resources Ltd.	-	-	-	-	-
	-	-	-	(13,04,157)	(13,04,157)
Orissa Managnese & Minerals Ltd.	-	-	-	-	-
	-	-	-	(5,30,558)	(5,30,558)
Adhunik Alloys & Power Ltd.	-	-	-	24,72,648	24,72,648
	-	-	-	(12,74,173)	(12,74,173)
Rent					
Datawave Infotech Limited (Formerly Adhunik Infotech Limited)	-	-	-	-	-
	-	-	-	(351,750)	(351,750)
Accounts maintenance charges					
Datawave Infotech Limited (Formerly Adhunik Infotech Limited)	-	-	-	-	-
	-	-	-	(5,065,200)	(5,065,200)
Directors Sitting Fees					
Mr. Chandra Shekhar Jalan	-	-	40,000	-	40,000
	-	-	(60,000)	-	(60,000)
Mr. Asit Baran Dasgupta	-	-	90,000	-	90,000
	-	-	(60,000)	-	(60,000)
Mr. Mahesh Kumar Agarwal	-	-	80,000	-	80,000
	-	-	(60,000)	-	(60,000)
Mr. Mohan Lal Agarwal	-	-	70,000	-	70,000
	-	-	(40,000)	-	(40,000)
Ms. Archana Gupta Sha	-	-	-	-	-
	-	-	(45,000)	-	(45,000)
Mrs. Shilpi Modi	-	-	35,000	-	35,000
	-	-	-	-	-
Mrs. Sonam Agarwal	-	-	90,000	-	90,000
	-	-	(15,000)	-	(15,000)

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

(b) Related party transactions (Contd.)

Nature of Transactions	Subsidiary/ Step down Subsidiary Companies	Associate Company	Key Management Personnel and their Relatives	Enterprises over which Key Management Personnel / Share Holders / Relatives have significant influence	Total
Remuneration to Key Management Personnel					
Mr. Jugal Kishore Agarwal	-	-	30,00,000	-	30,00,000
	-	-	(30,00,000)	-	(30,00,000)
Mr. Bikash Roy Chowdhury	-	-	15,00,000	-	15,00,000
	-	-	(15,00,000)	-	(15,00,000)
Mr. Bharat Agarwal	-	-	12,23,496	-	12,23,496
	-	-	(10,57,308)	-	(10,57,308)
2. In relation to Balance Sheet Items					
Balance outstanding as at the year end – Debit					
Adhunik Metaliks Ltd.	-	-	-	-	-
	-	-	-	(1,26,29,660)	(1,26,29,660)
Orissa Managnese & Minerals Ltd.	-	-	-	-	-
	-	-	-	(5,30,558)	(5,30,558)
Balance outstanding as at the year end – Credit					
Datawave Infotech Limited (Formerly Adhunik Infotech Limited)	-	-	-	-	-
	-	-	-	(41,04,721)	(41,04,721)
Mr. Jugal Kishore Agarwal	-	-	-	-	-
	-	-	-	-	-
Mr. Bikash Roy Chowdhury	-	-	1,02,800	-	1,02,800
	-	-	(1,02,090)	-	(1,02,090)
Mr. Bharat Agarwal	-	-	43,616	-	43,616
	-	-	(11,129)	-	(11,129)
Adhunik Corporation Limited	-	-	-	27,27,92,882	27,27,92,882
	-	-	-	(8,52,25,870)	(8,52,25,870)
Adhunik Alloys & Power Ltd.	-	-	-	-	-
	-	-	-	(7,13,70,200)	(7,13,70,200)

33. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at 31st March 2019	As at 31st March 2018
i) Equity share capital	46,76,37,500	46,76,37,500
ii) Other equity	66,87,63,461	63,07,46,595
Total Equity (a)	1,13,64,00,961	1,09,83,84,095
i) Borrowings	34,28,31,759	72,49,02,543
Total debt (b)	34,28,31,759	72,49,02,543
i) Cash and cash equivalents	2,76,77,960	2,78,19,429
Total cash (c)	2,76,77,960	2,78,19,429
Net debt {d=(b-c)}	31,51,53,800	69,70,83,114
Total capital (equity + net debt)	1,45,15,54,761	1,79,54,67,209
Net debt to equity ratio	0.28	0.63

34. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The Board provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist personnel's that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analysis have been prepared on the basis that the amount of debt and derivatives.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

The sensitivity of equity is calculated by considering the effect of any associated derivatives at 31 March 2019 and 31 March 2018 for the effects of the assumed changes of the underlying risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of derivative instruments. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
31st March, 2019		
Amount in ₹	+ 100	(34,28,318)
Amount in ₹	(-) 100	34,28,318
31st March, 2018		
Amount in ₹	+ 100	(72,49,025)
Amount in ₹	(-) 100	72,49,025

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all currencies other than US Dollars is not material.

	Change in USD rate	Effect on profit before tax
31st March, 2019		
Amount in ₹	+ 10 %	(25,357)
Amount in ₹	(-) 10 %	25,357
31st March, 2018		
Amount in ₹	+ 10 %	(6,65,457)
Amount in ₹	(-) 10 %	6,65,457

The movement in the post-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in ₹, where the functional currency of the entity is a currency other than ₹. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Credit risk

Credit risk is the risk that counterparty will 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 activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each divisions subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital limits from various banks. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, buyer's credit and other means of borrowings. The company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risk.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

	On Demand	Less than 1 Year	1 to 5 Years	> 5 Years
As at 31st March 2019				
Borrowings	34,28,31,759	-	-	-
Trade payables	-	16,66,46,138	-	-
Derivatives-Cross-currency interest rate swap	-	-	-	-
Other financial liabilities	-	3,19,53,603	20,14,74,523	-
	34,28,31,759	19,85,99,741	20,14,74,523	-
As at 31st March 2018				
Borrowings	72,49,02,543	-	-	-
Trade payables	-	50,42,62,442	-	-
Derivatives- Cross-currency interest rate swap	-	-	-	-
Other financial liabilities	-	19,36,712	21,68,30,546	-
	72,49,02,543	50,61,99,154	21,68,30,546	-

35. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 (J) to the financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2019 is as follows:

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Assets:			
Trade receivables	-	77,09,03,766	77,09,03,766
Investments	-	1,10,000	1,10,000
Bank balance other than Cash and cash equivalents	-	86,96,347	86,96,347
Cash and cash equivalents	-	2,76,77,960	2,76,77,960
Other financial assets	-	8,44,63,803	8,44,63,803
Total	-	89,18,51,876	89,18,51,876
Liabilities:			
Borrowings	-	34,28,31,759	34,28,31,759
Other financial Liabilities	-	23,34,28,126	23,34,28,126
Trade payables	-	16,66,46,138	16,66,46,138
Total	-	74,29,06,024	74,29,06,024

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Assets:			
Trade receivables	-	87,32,05,322	87,32,05,322
Investments	-	1,40,800	1,40,800
Bank balance other than Cash and cash equivalents	-	5,96,16,012	5,96,16,012
Cash and cash equivalents	-	2,78,19,429	2,78,19,429
Other financial assets	-	8,52,14,751	8,52,14,751
Total	-	1,04,59,96,314	1,04,59,96,314
Liabilities:			
Borrowings	-	72,49,02,543	72,49,02,543
Other financial Liabilities	-	21,87,67,257	21,87,67,257
Trade payables	-	50,42,62,442	50,42,62,442
Total	-	1,44,79,32,243	1,44,79,32,243

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	Level 1	Level 2	Level 3
As at March 31, 2019			
Financial Assets:			
Investments in Equity Instruments at FVOCI	1,10,000	-	-
Derivative Financial Assets	-	-	-
Total	1,10,000	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	-	-
Total	-	-	-
As at March 31, 2018			
Investments in Equity Instruments at FVOCI	1,40,800	-	-
Derivative Financial Assets	-	-	-
Total	1,40,800	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	-	-
Total	-	-	-

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

Notes:

- The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value
- Derivatives are fair valued using market observable rates and published prices together with forecast cash flow information where applicable.
- Investments are stated at amortized cost which is approximately equal to their fair value.
- There have been no transfers between level 1 and level 2 for the years ended March 31, 2019 and 2018.

36 Tax Expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax		
In respect of the current year	1,78,62,347	2,21,77,761
In respect of the earlier year	(10,56,176)	38,120
Total Current tax expense recognised in the current year	1,68,06,171	2,22,15,881
Deferred Tax		
In respect of the current year	(17,90,291)	(10,55,899)
In respect of the earlier year	-	-
Total Deferred tax expense recognised in the current year	(17,90,291)	(10,55,899)
Total Tax expense recognised in the current year	1,50,15,880	2,11,59,982

36.1 Reconciliation of Income tax expense for the year with accounting profit is as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

		For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	(A)	5,31,61,105	6,97,69,304
Income tax expense rate #	(B)	33.384%	33.063%
Income tax expense	(A X B)	1,77,47,303	2,30,67,825
Less : Effect of income Exempt from taxation/ deductible for computing taxable profit			
Deduction u/s 80		(32,13,985)	(25,80,977)
Effect of other adjustments in respect of earlier year		(10,56,176)	-
Add : Effect of expenses that are not deductible in determining taxable profit			
CSR Expenditure		3,43,691	5,34,316
Donation u/s 80-G		2,98,620	52,603
Effect of other adjustments		8,96,427	48,095
Effect of other adjustments in respect of earlier year		-	38,120
Income tax expense recognised in profit and loss		1,50,15,880	2,11,59,982

The tax rate used for reconciliations above is as applicable for corporate entities on taxable profits under the Indian tax laws.

36.2 Income tax recognised in other comprehensive income:	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred Tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(48,891)	37,149
Total income tax recognised in other comprehensive income	(48,891)	37,149
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(48,891)	37,149
Items that may be reclassified to profit or loss	-	-

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

(Amount in ₹)

37. CIF Value of imports (including through canalizing agency) during the year:	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Raw materials	-	-
Components and Spare Parts	2,53,566	78,22,591
Capital Goods	-	-
	2,53,566	78,22,591

38. Value of Raw Materials and Components, Stores and Spares consumed during the period (including charged to repairs and maintenance and capital)

	% of total Consumption For the year ended March 31, 2019	Value (Amount in ₹) For the year ended March 31, 2019	% of total Consumption For the year ended March 31, 2018	Value (Amount in ₹) For the year ended March 31, 2018
Raw Materials				
Imported	-	-	-	-
Indigenously	100%	6,09,87,47,542	100%	4,01,49,90,645
	100%	6,09,87,47,542	100%	4,01,49,90,645
Stores and Spares #				
Imported	0%	2,53,566	10%	66,54,574
Indigenously	100%	7,17,35,191	90%	5,87,94,743
	100%	7,19,88,757	100%	6,54,49,317

Including Stores and Spares included under Repairs and Maintenance.

39. Earnings in foreign currency (accrual basis):

	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
FOB Value of Exports	1,48,42,042	18,38,29,699

40. In the opinion of the management, current assets, loans and advances have the value at which these are stated in the balance sheet, if realized in the ordinary course of business, unless otherwise stated and adequate provisions for all known liabilities have been made and are not in excess of the amount reasonably required.

41. The outstanding balances of Sundry debtors / creditors are subject to confirmation as letters of confirmation of balances from several parties have not been received and hence the balances are subject to adjustments, if any, on reconciliation / settlement of account.

42. In the opinion of the management, leave is meant to be availed of and the employees has been advised to plan their leave in advance while in service and also immediately before superannuation. Accordingly, leave encashment liability for the year has been recognised and provided for only when such encashment was allowed.

Notes to Financial Statements as at and for the year ended 31st March, 2019 (Contd.)

43. Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, revenue from operations is disclosed net of GST. Accordingly, the revenue from operations and other expenses for the year ended March 31, 2018 are not comparable with the previous periods presented in the Financial Statements. The impact of the same however is not significant.
44. Raw materials consumed are accounted after adjustment of normal shortage/surplus of raw materials and rejected raw materials.
45. Previous year figures including those given in brackets have been rearranged where ever necessary to confirm with the current year classification.

Signatories to Schedules 1 to 45.

As per our report of even date

For Sudhir Kumar Jain & Associates

Firm Regn No: 318016E

Chartered Accountants

Sd/-

CA. S. Jain

(Partner)

Membership No. 053537

Place: Kolkata

Date: 28th May 2019

For and on behalf of the Board of Directors

Sd/-

Jugal Kishore Agarwal

Managing Director

DIN : 00227460

Sd/-

Ajay Bhuwania

Chief Financial Officer

Sd/-

Mahesh Kumar Agarwal

Chairman

DIN : 00507690

Sd/-

Bharat Agarwal

Company Secretary



Adhunik Industries Ltd.

Corporate Office: Landsdowne Towers 2/1A, Sarat Bose Road, Kolkata – 700020

Registered Office: 14, N.S. Road, 2nd Floor,
Kolkata – 700001, West Bengal, India, **Telefax:** +91 33 2242 8551/53

Works: Raturia, Angadpur, Durgapur – 713215

Web: www.adhunikindustries.com, **Trade Enquiry :** +91 33 6638 4700, 9007477753



ADHUNIK INDUSTRIES LIMITED

CIN-L27100WB1979PLC032200

Regd. Office : 14, N. S. ROAD, 2ND FLOOR, KOLKATA-700001

Phone:033-3051 7100, Fax- 033-2289 0285, Website: www.adhunikindustries.com

E-mail- investorsail@adhunikgroup.co.in

NOTICE IS HEREBY GIVEN THAT THE 40TH ANNUAL GENERAL MEETING OF ADHUNIK INDUSTRIES LIMITED WILL BE HELD ON MONDAY, THE 16TH DAY OF SEPTEMBER, 2019 AT 2:30 P.M AT BHARATIYA BHASHA PARISHAD, 36-A, SHAKESPEARE SARANI, KOLKATA – 700 017 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company as at 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS

2. **Appointment of Mrs. Shilpi Modi (DIN: 02706881) as an Independent Woman Director.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Shilpi Modi (DIN: 02706881), who had been appointed as an Additional Non-Executive Independent Woman Director by the Board of Directors with effect from 6th December, 2018, based on the recommendation of the Nomination and Remuneration Committee, in terms of Section 161 of the Act and whose term of office expires at this Annual General Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Companies Act, 2013, proposing her candidature for the office of director of the Company, be and is hereby appointed as an Independent Woman Director of the Company to hold office for a term of five consecutive years, with effect from 6th December 2018 to 5th December, 2023, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

3. **Appointment of Mr. Rama Shankar Gupta (DIN: 07843716) as Non-Executive Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Rama Shankar Gupta (DIN:07843716), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 15th July, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any modification or re-enactment thereof) who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. **Appointment of Mr. Trilok Sharma (DIN: 08432440) as a Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Trilok Sharma (DIN:08432440), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 15th July, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any modification or re-enactment thereof) who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Re-appointment of Mr. Asit Baran Dasgupta (DIN: 02476594) as an Independent Director for second term of five consecutive years.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as further amended by Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Asit Baran Dasgupta (DIN: 02476594), who was appointed as an Independent Director for a term of five(5) consecutive years from the conclusion of 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting, being eligible and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as a Non - Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five(5) consecutive years, with effect from 16th September, 2019 to 15th September, 2024.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To approve the remuneration of Cost Auditors for the Financial Year ending March 31, 2020.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Dipak Lal & Associates, Cost Accountants, Kolkata appointed as Cost Auditor (Membership No. 28441), for a sum of Rs. 25,000/- (Rupees Twenty Five Thousand only) (plus service tax and out-of-pocket expenses), as approved by the Board of Directors based on the recommendation of the Audit Committee to conduct the audit of the cost records maintained by the company for the Financial Year 2019-20, the details of which are given in the Explanatory Statement in respect of this item of business be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board

Regd. Office:

14, N. S. Road, 2nd Floor

Kolkata-700 001.

Dated: 13th August, 2019

Sd/-

Bharat Agarwal

Company Secretary

(Membership No: ACS 25137)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A PROXY FORM IN FORM MGT-11 FOR THE AGM IS ENCLOSED HEREWITH.

2. Corporate members intending to send their authorized representatives to attend and vote at the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members/proxies should bring duly filled Attendance slips along with their copy of Annual Report to the meeting. As a measure of economy, copies of the Annual Report will not be distributed at the meeting. Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the meeting.
4. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business as set out in Item Nos. 2, 3, 4, 5 and 6 of the AGM Notice, to be transacted at the Meeting are annexed hereto.
5. Details under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and SS-2 (Secretarial Standards on General Meetings) in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declaration for their appointment/re-appointment.
6. Electronic copy of the Annual Report 2018-19 is being sent to the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their E-mail address, physical copies of the Annual Report 2018-19 is being sent in the permitted mode.
7. Electronic copy of the Notice of the 40th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members, who have not registered their email address, physical copies of the aforesaid documents are being sent by the permitted mode. The notice and Annual Report is also available on the company's website at www.adhunikindustries.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection between 10.00 A.M. to 4.00 P.M. on all working days except Saturdays, Sundays and Holidays.
8. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their E-mail address either with the Company or with the Depository Participant(s).

Members holding shares in physical mode are requested to register their E-mail Id with the Company or its RTA and members holding shares in demat mode are requested to register their E-mail Id with their respective Depository Participants (DP). If there is any change in the E-mail Id already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
9. The Annual Report of the Company for the Financial Year 2018-19, circulated to the members of the Company, is also uploaded on the Company's website www.adhunikindustries.com in the 'Investors Corner' Section.
10. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants. Members holding shares in physical form are required to submit their PAN details to the company.
12. The Register of Members and Share Transfer Books of the Company will remain closed from 10th September, 2019 to 16th September, 2019 (both days inclusive).
13. Members are requested to quote their folio number / DP ID, Client ID in all correspondences.

14. Member's holding Company's shares in electronic form are required to bring details of Depository Account such as DP ID, Client ID number for their identification.
15. Members holding shares in physical form are requested to immediately notify change in their addresses, if any, to the Registrar and Transfer Agent of the Company, quoting their Folio Number (s) with a self-attested copy of address proof, i.e. Voter Identity Card, Electric / Telephone (BSNL) Bill or Driving License or Bank Statement or Passport before 7th September, 2019.
16. Members are requested to address all correspondence to the Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, 5th Floor, Kolkata-700001.
17. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from 1st April, 2019. In view of the above, members are advised to dematerialise shares held by them in physical form.
18. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instruction for remote e-voting are annexed to the notice.
19. The Ministry of Corporate Affairs, vide its circular No. 17/2012 dated July 23, 2012 have directed the companies to upload information regarding unpaid and unclaimed dividend on the company's website. There are no unpaid and unclaimed dividend in the books of the Company as on 31.03.2019.
20. The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. In case the Members have any query on the subject matter and the IEPF Rules, they may contact the RTA of the Company.
21. Pursuant to Notification issued by Ministry of Corporate Affairs, Govt. of India effective from May 07, 2018 for omission of the first proviso to Section 139(1) by the Companies (Amendment) Act, 2017, the requirement of placing the matter relating to ratification of appointment of Statutory Auditors by members at every annual general meeting has been dispensed with and hence, a separate agenda for ratification of appointment of Auditors has not been placed before the members herein and in view of the same, M/s Sudhir Kumar Jain & Associates, Chartered Accountants (Firm Reg. No 318016E) appointed by the members at the 37th Annual General Meeting for a tenure upto the conclusion of the 42nd Annual General Meeting will continue as the Statutory Auditors of the Company, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company. We request the members to note the above information.
22. Since the two Non-executive Non- Independent Director of the Company Mr. Trilok Sharma and Mr. Rama Shankar Gupta, who were appointed on 15th July, 2019 as Additional Director, their office term will expire at the ensuing Annual General Meeting as per Section 161 of the Companies Act, 2013. Hence, the ordinary business item retire by rotation cannot be taken into consideration.
23. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated E-mail ID in its records. Members are thus requested to kindly submit their E-mail ID and other details.
24. Members who have not registered their E-mail address so far are requested to register their E-mail address for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically.
25. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" in 2011 by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent to the shareholders in Electronic Mode. To support this green initiative of the Government in full measure, the members who have not registered their E-mail addresses, so far, are requested to register their E-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants (DP). Members who hold shares in physical form are requested to submit their E-mail address to the Company/Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited. We are sure you would appreciate the "Green Initiative" taken by MCA and solicit your patronage and support to participate in such initiative.
26. Route map along with landmark to the venue of the Annual General Meeting is annexed to this notice. Members may also note that the notice along with the route map will also be available in the website of the Company (www.adhunikindustries.com) for download.

27. VOTING THROUGH ELECTRONIC MEANS (Instruction for remote e-voting):

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 40th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the venue of AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The instructions for remote e-voting are as under:
 - (i) The remote e-voting period begins on Friday, 13th September, 2019 (09:00 a.m. IST) and ends on Sunday, 15th September, 2019 (5:00 p.m. IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 9th September, 2019, may cast their vote by remote e-voting. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - (iii) Click on “Shareholders” tab to cast your votes.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
Dividend Bank OR Date of Birth	Enter the Dividend Bank Details or Date of Birth in dd/mm/yyyy format recorded in your demat account or in the company’s records for the said demat account for login. <ul style="list-style-type: none">• If both details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant ADHUNIK INDUSTRIES LIMITED on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the same password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
28. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
 29. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of Monday, 9th September, 2019.
 30. Members holding shares in dematerialized mode are requested to intimate the changes pertaining to their bank account details, NECS mandates, E-mail addresses, nominations, change of address, change of names etc. if any, to their Depository Participant (DP) only before 7th September, 2019. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
 31. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 32. The Board of Directors of the Company has appointed CS Mohan Ram Goenka failing him CS Sneha Khaitan, Partner, MR & Associates, Practising Company Secretaries, Kolkata, as the Scrutinizer to scrutinize the remote e-voting process as well as the voting through Ballot Paper at the AGM in a fair and transparent manner.
 33. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut -off date i.e. 9th September, 2019 may obtain the User Id and password by sending a request at investorsail@adhunikgroup.co.in or to the Registrar at mdpldc@yahoo.com. However, if the member is already registered with CDSL for remote e-voting, then he can use his existing user ID and password for casting the vote through e-voting.
 34. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 35. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company

and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

36. Further, in accordance with Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchange, details of the Voting results in the prescribed format within forty-eight hours of conclusion of the AGM.
37. The Results declared along with Scrutinizer's Report shall be placed on the Company's website www.adhunikindustries.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing and same shall simultaneously be communicated to the Stock Exchanges.
38. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 16th September, 2019.

EXPLANATORY STATEMENT

[PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013]

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 2

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Shilpi Modi (DIN:02706881), as an Additional Non-Executive Independent Woman Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from 6th December, 2018.

Pursuant to the provision of section 161 of the Act, being an Additional Director, Mrs. Shilpi Modi (DIN: 02706881) shall hold office till the date of ensuing AGM and is eligible to be appointed as an Independent Woman Director of the Company. The Company has received a notice in writing from a member under Section 160(1) of the Companies Act, 2013, proposing her name to be appointed as an Independent Woman Director of the Company.

The brief profile of Mrs. Shilpi Modi (DIN:02706881) is as under:

Mrs. Shilpi Modi, aged about 30 years, is a Commerce Graduate from Calcutta University, a qualified Company Secretary and a Member of The Institute of Company Secretaries of India (ICSI). She is having an experience of around 4 years in the field of Secretarial matters, Direct Tax and Indirect Tax matters and having sound knowledge of Finance & Accounts. She had associated with various professional firms and had acted as consultant to them on secretarial and taxation matters.

The Company has also received a declaration from Mrs. Shilpi Modi (DIN:02706881) confirming that she meets the criteria of Independence as prescribed under 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations 2015"). Mrs. Shilpi Modi (DIN:02706881) is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as an Independent Woman Director of the Company.

In the opinion of the Board, Mrs. Shilpi Modi (DIN:02706881) fulfills the conditions for her appointment as an Independent Woman Director as specified in the Act and the Listing Regulations and she is independent of the management. Keeping in view her expertise and knowledge, it will be in the interest of the Company that Mrs. Shilpi Modi (DIN:02706881) is appointed as an Independent Woman Director of the Company not liable to retire by rotation and shall hold office for a term of five years with effect from 6th December, 2018.

A copy of the draft letter of appointment for Independent Director setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the Registered Office of the Company on all working days between 10:00 am to 4:00 pm except Saturdays, Sundays and Holidays and is also available on the website of the Company www.adhunikindustries.com

Mrs. Shilpi Modi (DIN: 02706881) is not related to any Director and Key Managerial Personnel of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 2 of the Notice.

Except Mrs. Shilpi Modi (DIN: 02706881), none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

ITEM NO. 3

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Rama

Shankar Gupta (DIN: 07843716) as an Additional Non-Executive Non-Independent Director of the Company, with effect from 15th July, 2019. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Rama Shankar Gupta will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing the candidature of Mr. Rama Sankar Gupta for the office of Director. Mr. Rama Shankar Gupta, once appointed will be liable to retire by rotation and will be subject to the Company's Policy on Retirement of Directors.

The Company has received from Mr. Rama Shankar Gupta (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

Except Mr. Rama Shankar Gupta (DIN:07843716), none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

ITEM NO. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Trilok Sharma (DIN:08432440) as an Additional Non-Executive Non-Independent Director of the Company, with effect from 15th July, 2019. Pursuant to the provisions of Section 161 of the Act, Mr. Trilok Sharma will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing the candidature of Mr. Trilok Sharma for the office of Director. Mr. Trilok Sharma, once appointed will be liable to retire by rotation and will be subject to the Company's Policy on Retirement of Directors.

The Company has received from Mr. Trilok Sharma (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

Except Mr. Trilok Sharma (DIN:08432440), none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

In terms of Section 149(10) of the Companies Act 2013 ("Act"), an Independent Director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company for a second term of up to five years. Further, in terms of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 inserted by the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 vide Circular dated 9th May, 2018 which will come into force from 1st April, 2019, consent of the Members by way of a Special Resolution is required for continuation of the directorship who has attained the age of seventy five years.

Mr. Asit Baran Dasgupta, aged about 78 years (DIN: 02476594), was appointed as an Independent Director (Non-Executive) of the Company for a period of five (5) years from the conclusion of 35th Annual General Meeting held on 18th September, 2014 till the conclusion of the 40th Annual General Meeting. So, his term as an Independent Director of the company will be going to end on 16th September, 2019. The Nomination and Remuneration Committee on the basis of performance evaluation recommended re-appointment of Mr. Asit Baran Dasgupta as a Non-Executive Independent Director for a second term of five consecutive years on the Board of the Company. The Board of Directors ("Board"), in its meeting held on 13th August, 2019 reviewed the declaration made by Mr. Asit Baran Dasgupta that he meets the criteria of independence as provided in Section 149(6) of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and was of opinion that he fulfills the conditions specified in the Act, the rules made there-under and in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management. His vast and varied experience in finance and banking will help the Company in designing its financial planning. He acts as a guide, coach, and mentor to the Company and helps in improving corporate credibility by working as a watchdog and help in for ensuring better corporate governance as well as managing financial risk of the business and corporate world. His support to the Company justifies his re-appointment as an Independent Director of the Company. In the opinion of the Board, Mr. Dasgupta fulfills the conditions specified in the Act and the rules made thereunder and that he is independent of the management.

Since, Mr. Dasgupta has already attained the age of 75 (seventy five) years and it is his second term of appointment as an Independent

Director, therefore, in view of the aforesaid regulation and provisions, it is necessary to seek approval of the Members through Special Resolution for re-appointment of his directorship in the Company. It is in the interest of the Company to appoint him as Non-Executive Independent director of the Company. Accordingly, the Board recommend his re-appointment as Non – Executive Independent Director not liable to retire by rotation for a further period of five years from 16th September, 2019 up to 15th September, 2024.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 5 of the Notice.

Except Mr. Asit Baran Dasgupta (DIN: 02476594), none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have the audit of its cost records conducted by a cost accountant in practice.

The Board of Directors has, on the recommendation of Audit Committee, approved the appointment and remuneration of M/s. Dipak Lal & Associates, Cost Accountants, (Membership No. 28441) as cost auditor of the Company, for a remuneration of Rs. 25,000/- (plus service tax and out-of-pocket expenses) to conduct the audit of the cost records maintained by the Company for the financial year ending on 31st March, 2020.

M/s. Dipak Lal & Associates, Cost Accountants have the necessary experience in the field of cost audit and have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof and as amended from time to time), the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

ANNEXURE TO ITEMS 2, 3, 4 & 5 OF THE NOTICE

Details of Directors seeking re-appointment / appointment at the forthcoming Annual General Meeting
[in pursuance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Shilpi Modi	Rama Shankar Gupta	Trilok Sharma	Asit Baran Dasgupta
DIN	02706881	07843716	08432440	02476594
Date of Birth	01/01/1989	11/03/1970	05/11/1983	01/01/1941
Date of Appointment	06/12/2018	15/07/2019	15/07/2019	18/09/2014 (Current Term)
Date of first appointment on Board	06/12/2018	15/07/2019	15/07/2019	26/06/2013
Qualification	Graduate in Commerce and Qualified Company Secretary	Science Graduate and MBA having specialization in Finance and Marketing	Commerce Graduate from Calcutta University and Post Graduate in Business Management having specialization in marketing and financial services	Graduate in Commerce
Expertise in specific functional area	Over 4 years in the field of Secretarial matters, Direct Tax and Indirect Tax matters and having sound knowledge of Finance & Accounts.	22 years of sound experience in finance and marketing.	10 years of sound experience in finance and marketing.	34 years of wide experience in Banking industry.
Terms and conditions of Appointment/Re-appointment	Tenure as a director is subject to the provision of sub section 11 of Section 149 of the Companies Act, 2013.	Tenure as a director is subject to the provisions of Companies Act, 2013 liable to retire by rotation.	Tenure as a director is subject to the provisions of Companies Act, 2013 liable to retire by rotation.	Tenure as a director is subject to the provision of sub section 11 of Section 149 of the Companies Act, 2013.
Details of remuneration sought to be paid	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.
Remuneration last drawn (2018-19)	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.	Not Applicable	Not Applicable	Sitting Fees not exceeding 1% of the net profits in the aggregate for all of the non-executive directors.
Shareholding in the Company	NIL	NIL	NIL	NIL
No. of Board meetings attended during the F.Y. 2018-19	3/3	Not Applicable	Not Applicable	7/7
List of other Public Companies in which holds directorship as on 31.03.2019	NIL	NIL	Not Applicable (DIN obtained after 31.03.2019)	NIL
Chairmanship / Membership of committees of Directors of other public Companies (includes only Audit Committee and Stakeholders Relationship Committee) as on 31.03.2019	NIL	NIL	Not Applicable	NIL
Relationships between directors inter-se	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Name of the Director	Shilpi Modi	Rama Shankar Gupta	Trilok Sharma	Asit Baran Dasgupta
Justification for choosing the appointee for appointment as an Independent Director	She has having good knowledge on Secretarial matters, Direct Tax and Indirect Tax matters and Finance & Accounts.	-	-	He is having vast experience in Finance and Banking.

For and on behalf of the Board

Regd. Office:

14, N. S. Road, 2nd Floor
Kolkata-700 001.

Dated: 13th August, 2019

Sd/-

Bharat Agarwal

Company Secretary

(Membership No: ACS 25137)



ADHUNIK INDUSTRIES LIMITED

CIN-L27100WB1979PLC032200

Regd. Office : 14, N. S. ROAD, 2ND FLOOR, KOLKATA-700001

Phone:033-3051 7100, Fax- 033-2289 0285, Website: www.adhunikindustries.com

E-mail- investorsail@adhunikgroup.co.in

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): _____

Registered address: _____

E-mail Id: _____

Folio No/ Client Id: _____

DP ID: _____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

E-mail Id:

Address:.....

Signature:..... or failing him

2. Name:

E-mail Id:

Address:.....

Signature:..... or failing him

3. Name:

E-mail Id:

Address:.....

Signature:..... or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 40th Annual General Meeting of the Company, to be held on Monday the 16th September, 2019 at 2:30 PM at Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions No.	Particulars	For	Against
1.	Consider and adopt the audited balance sheet of the Company as at 31st March 2019 and the statement of profit and loss for the financial year ended on that date together with the reports of the Auditors and Directors thereon.		
2.	Appointment of Mrs. Shilpi Modi (DIN: 02706881) as an Independent Woman Director.		
3.	Appointment of Mr. Rama Shankar Gupta (DIN: 07843716) as a Non-Executive Director.		
4.	Appointment of Mr. Trilok Sharma (DIN: 08432440) as a Non-Executive Director.		

5.	Re-appointment of Mr. Asit Baran Dasupta (DIN: 02476594) as Non-Executive Independent Director for second terms of five consecutive years.		
6.	Fixation of remuneration of Cost Auditors for the FY 2019-20.		

Signed this _____ day of _____ 2019.

Signature of shareholder _____

Signature of the proxy holder _____

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



ADHUNIK INDUSTRIES LIMITED

CIN-L27100WB1979PLC032200

Regd. Office : 14, N. S. ROAD, 2ND FLOOR, KOLKATA-700001

Phone:033-3051 7100, Fax- 033-2289 0285, Website: www.adhunikindustries.com

E-mail- investorsail@adhunikgroup.co.in

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I / We,, hereby record my presence at the 40th Annual General Meeting of the Company to be held on Monday the 16th September, 2019 at 2:30 PM at Bharatiya Bhasha Parishad, 36-A, Shakespeare Sarani, Kolkata-700 017.

Name of the Shareholder: _____

DP ID No.* _____

Client ID No.* _____

Folio Number: _____

Number of Equity Shares held: _____

*Applicable for shares held in electronic form.

Member's/Proxy Name (in Block letters)

Signature of the Attending Shareholder / Proxy

Route Map of venue of 40th Annual General Meeting of M/s. Adhunik Industries Limited

Venue

Bharatiya Bhasha Parishad

36-A, Shakespeare Sarani, Kolkata-700 017

