

# Shyam Century Ferrous Limited

Regd. Office. : Vill. : Lumshnong, PO: Khaliehriat, Dist. East Jaintia Hills, Meghalaya-793 210, Phone No. - 03655-278215/16/18  
Fax : 03655-278217, E-mail : investors@shyamcenturyferrous.com, Website - www.shyamcenturyferrous.com  
CIN-L27310ML2011PLC008578

Date: 04th September, 2020

The Listing Department,  
National Stock Exchange of India Limited  
"Exchange Plaza", C-1, Block-G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
Scrip Code: SHYAMCENT (NSE)

The Listing Department  
The BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai – 400001  
Scrip Code: 539252(BSE)

Dear Sir(s),

**Sub: Annual Report, Accounts together with Notice of the 9<sup>th</sup> Annual General Meeting ('AGM') of the Company for the Financial Year 2019-20 in terms of requirements of Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('LODR Regulations')**

Pursuant to Regulation 30 & 34 of the LODR Regulations, we enclose herewith a copy of the Annual Report, Accounts together with Notice of 9<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Tuesday, 29th September, 2020 at 04:00 P.M. (IST) through Video Conferencing ("VC") and Other Audio Visual Means ("OAVM").

The copy of the Annual Report, Accounts together with Notice of 9<sup>th</sup> Annual General Meeting are available on the following link:

<http://shyamcenturyferrous.com/wp-content/uploads/2020/09/Shyam-Century-Ferrous-Limited-Annual-Report-2019-20.pdf>

This is for your information and record.

Thanking you,

For Shyam Century Ferrous Limited

04-09-2020

X



Neha Agarwal  
Company Secretary  
Signed by: NEHA AGARWAL

**Neha Agarwal**  
**Company Secretary**

Encl: as above



**Office & Works** : EPIP, Rajabagan, Byrnihat, Meghalaya-793101, Ph : No. - 9436108851  
**Corporate Office** : Satyam Towers, 3 Alipore road, 1st Floor, Unit No. 9B, Kolkata - 700 027, Ph : No. 033 2448 4169/170/693, Fax : 033 2448 4168  
**Guwahati Office** : C/o Star Cement Limited, Mayur Garden, 2nd Floor, Opp. Rajiv Bhawan, GS Road, Guwahati-781005,  
Ph : 0361 24612215/16/17, Fax : 0361 2462217

# RESILIENCE

Shyam Century Ferrous Limited | Annual Report 2019-20



#### Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions.

This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# What you need to know about Shyam Century Ferrous Limited

## Background

Incorporated in 2011, Shyam Century Ferrous Limited is one of the prominent ferro alloys manufacturers in North-Eastern India. The Company is headed by professionals who have years of experience and are committed to drive the Company's growth to the next level.

## Presence

The Company is headquartered in Lumshnong, Meghalaya, and has a manufacturing unit in Byrnihat, Meghalaya. The Company's strategic presence in North East provides easy access to abundant raw materials like coal, Lamcoke and quartz in proximate locations.

## Products

The Company is engaged in the production of Ferro Silicon with annual manufacturing capacity of 21,600 MT. It also has a captive power generation capacity of around 14 MW and has facilities to produce silico manganese and other varieties of ferro alloys by using the same infrastructure.

## Listing

The shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited.

89.14

(₹ Crore),  
Revenues, FY 19-20

2.57

(₹ Crore),  
EBITDA, FY 19-20

0.02

(₹ Crore),  
Profit after tax, FY 19-20

# The Director's message

## Overview

The prevailing period is one of the most uncertain in living memory. The global slowdown of 2019 was complemented by the outbreak of the COVID-19 pandemic starting with the calendar year of 2020.

The Indian economy slowed from 6.1% in FY 18-19 to 4.2% in FY 19-20 and 3.1% in the last quarter of the year under review. This sharp slowdown in economic growth was coupled with a surge in inflation. The Indian rupee was one of the worst performers among Asian peers.

During the last week of the financial year under review, a national lockdown was imposed to fight the spread of COVID-19, which affected the recovery of the Indian economy in FY 20-21.

## Impact of COVID-19 pandemic

The pandemic is affecting how humankind will live. The market outlook is dependent on the discovery of the vaccine and at the moment of writing, there is a premium on the ability of companies like ours to manage their way through the downturn without significant impact.

The management of your Company is aware of this priority. The performance of your Company could be largely dependent on market conditions during the current financial year even as there are concerted initiatives to minimise impact through various proprietary initiatives. Our objective is to remain one of the last players standing and emerge as one of the earliest to recover when consumer sentiment revives.

We have always grown our Company around a sense of discipline. Our responsiveness to the prevailing environment is the result of what we have consistently

been: questioning every cost, focusing on liquidity and prioritising business sustainability.

## Performance overview

Global crude steel production reached 1,869.9 Mn tonnes in 2019, up 3.4% compared to 2018. India's crude steel production for FY 19-20 was 108.50 Mn tonnes, up 1.89%. India replaced Japan as the world's second-largest steel producing country, while retaining its position as the third-largest finished steel consumer. India possessed an installed capacity of 142.24 Mn tonnes in FY 18-19, whereas production in FY 19-20 was 101.3 Mn tonnes compared to 131.57 Mn tonnes in FY 18-19.

The Indian automobile industry, which accounts for a ~7% share of the country's GDP, is at the cusp of a transformation. The sector encountered a weak FY 19-20 following a transition to the BS-VI standard and shared mobility that affected new offtake.

Your Company reported ₹89.14 Crore of revenues and ₹0.02 Crore

18.72

(₹ Crore), Operating profit margin in last quarter, FY 19-20

11,110

(Metric tonnes) Production of ferro silicon, FY 19-20

The Company did well to report a gradual improvement in performance, revenues peaking at ₹33.45 Crore in the last quarter. What was creditable is that the operating margin of the fourth quarter of 18.72% was the highest through the year under review.

of profit after taxes in FY 19-20, a decline in both numbers when compared with the previous year. This transpired as the ferro alloys market remained weak on account of a sluggish downstream sector (steel). Ferro alloy realisations declined more than 45% from peak, affecting our performance. The Company did well to report a gradual improvement in performance, revenues peaking at ₹33.45 Crore in the last quarter. What was creditable is that the operating margin of the fourth quarter of 18.72% was the highest through the year under review. We are cautiously optimistic that the performance of the current financial year could improve in light of an improvement in sales realisations and probable revival of the steel industry.

The growth of the automobile sector, one of the largest steel consumers, slowed during the year under review with off take declining virtually month-on-month. A continuing weakness

in the country's real estate sector following RERA implementation and demonetisation, continued to affect the offtake of TMT and structurals.

Against a backdrop of these economic and sectoral realities, the Company possesses the resilience to sustain its profitability on account of positive cash flows, high product quality, adequate capacity and cost austerity. Your Company produced 11,110 metric tonnes of ferro silicon during the year under review, compared to 15,219 tonnes in FY 18-19. Your Company optimised costs and strengthened processes. Even as the performance weakened, your Company remained attractively placed to capitalise on India's long-term prospects.

#### Outlook

During the first quarter of the current financial year, revenues increased over the corresponding period of the previous year with a turnaround in bottomline,

strengthening the prospects during the current financial year.

What provides optimism in this challenging scenario is our long-term competitiveness. The demand for steel could rise whenever there is an improvement in the country's real estate and infrastructure sector. With the government continuing to focus on the long-term development of national infrastructure through relevant policies there is a possibility of a trickle-down in the form superior steel and ferro alloy offtake.

When the country's economy revives, Shyam Century Ferrous Limited is expected to ride the rebound and report an attractive performance.

#### Sajjan Bhajanka

Director,  
Shyam Century Ferrous Limited

# Corporate Information

## Board of Directors

Mr. Sajjan Bhajanka	Director
Mr. Nagraj Tater	Director
Mr. Aditya Vimalkumar Agrawal	Director
Mr. Mangilal Jain (till 31.03.2020)	Director
Mr. Pramod Kumar Shah (w.e.f. 01.04.2020)	Director
Mr. Santanu Ray	Director
Mrs. Plistina Dkhar	Director

## Auditors

AKSD & Associates  
(Formerly Kailash B. Goel & Co.)  
Chartered Accountants  
70, Ganesh Chandra Avenue, 1st Floor,  
Kolkata – 700013

## Chief Executive Officer

Mr. M.V.K. Nageswara Rao  
(upto 30.12.2019)

Mr. Sumanta Kumar Patra  
(w.e.f. 29.06.2020)

## Chief Financial Officer

Mr. Uday Bahadur Chetri  
(upto 30.04.2019)

Mr. Kamlesh Pathak  
(w.e.f. 01.10.2019)

## Company Secretary

Ms. Neha Agarwal

## Bankers

HDFC Bank Ltd.

## Registered Office

Vill: Lumshnong, P.O. Khaliehriat,  
Dist: East Jaintia Hills,  
Meghalaya – 793210

## Works

Ferro Alloy & Power Plant  
EPIP, Rajabagan,  
Dist : Ri-Bhoi, Byrnihat,  
Meghalaya - 793101

## Corporate Office

‘Satyam Towers’, 1st Floor,  
Unit No. 9B,  
3, Alipore Road,  
Kolkata-700027  
Phone : 033 22484169/70  
Fax : 033 22484168  
Email : investors@shyamcenturyferrous.com  
Website : www.shyamcenturyferrous.com

## Registrars & Share Transfer Agents

Maheswari Datamatics Pvt. Ltd.  
23, R. N. Mukherjee Road, 5th Floor,  
Kolkata - 700001  
Email: mdpldc@yahoo.com



## DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS

### Dear Shareholders,

Your Directors have pleasure in presenting the Ninth Annual Report of the Company together with the Audited Balance Sheet as at March 31, 2020 and the Statement of Profit & Loss for the year ended on that date.

### FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended March 31, 2020 as compared to the previous financial year are as under:-

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Total Income	8,913.93	13,443.78	8,913.93	13,443.78
Profit before Depreciation, Interest and Tax	257.14	1,885.10	257.14	1,885.10
Depreciation	229.08	276.21	229.08	276.21
Interest and Finance Charges	40.14	129.51	40.14	129.51
Profit/Loss Before Tax	(12.08)	1,479.38	(12.08)	1,479.38
Tax Expenses:				
- Current Tax	3.20	438.53	3.20	438.53
- Income Tax for previous years	(25.39)	-	(25.39)	-
- Deferred Tax	13.53	(7.16)	13.53	(7.16)
Profit/Loss after Tax	(3.42)	1,048.01	(3.42)	1,048.01
Share of profit of associates	175.36	619.29	-	-
Net profit after taxes and share of profit of associates	171.94	1,667.30	-	-
Other comprehensive income for the year, net of tax	5.24	(5.51)	5.82	(5.22)
Total comprehensive income for the year	177.18	1,661.79	2.40	1,042.79

Previous years figures were rearranged and regrouped wherever necessary.

### FERRO ALLOY BUSINESS - INDUSTRY AT A GLANCE

Ferroalloys have been developed to improve the properties of steels and alloys by introducing specific alloying elements in desirable quantities in the most feasible technical and economic way. Ferroalloys plays major role in Steel Production and industrial development.

Ferrosilicon (FeSi) is an alloy of iron and silicon with a very variable silicon content varies between 10% and 90%. The main advantage of FeSi is its deoxidizing effect (i.e., it reduces metals from their oxides) but it also helps to prevent the loss of carbon. The FeSi is screened into different size grades for further use as per the size of the furnace or usage required by the customers.

The highest consumption of FeSi is in the Stainless Steel sector (SS) followed by Mild Steel (MS) sector. With the ongoing Covid-19 situation in the world including India most of the SS producers are in a decline mode or in a challenging phase. Most of the SS producers are running at a minimum capacity as they have a huge Finished Goods (Fg) inventory piled up with negligible demand from their customers. In view of lockdown announced across the country the overall growth of the stainless steel industry, like other industries, are bound to witness contraction in FY21.

Indian Ferro Silicon imports decreased by 59% in Jan'20 on M-o-M basis. Bhutan was the largest exporter of Ferro Silicon for India. Indian imports from Bhutan alone were accounted for 54% in Jan'20. China was the next biggest exporters of Ferro Silicon for India with 23% of imports from China. The import data itself is an indication for the demand of FeSi in the country.



Commodity prices including FeSi have always shown significant volatility that reflects temporary shortage or surplus conditions in the markets. Trade in speculative financial products often aggravates commodity price volatility in a way that cannot be explained by market fundamentals. Exactly how closely commodity prices reflect market shortage or surplus conditions is therefore sometimes called into question.

Steel making materials supply chains have a high exposure to disruptions such as adverse weather conditions and accidents due to the concentrated supply structure number, geographical location of mining areas, capacity, location of ports and railways dedicated to exports of iron ore and metallurgical coal.

Iron ore and metallurgical coal quality has shown a significant deterioration in quality during the 2000s. This has put a huge pressure on the efficiency and the environmental performance of the global steel industry's raw materials processing operations. However, the global steel industry has managed to meet ever more stringent environmental standards thanks to the development of new technology and techniques. April'2020 was very down, however from May onwards, we have started witnessing incipient signs of recovery. In June, we expect double the volume of May. We estimated that demand for stainless steel will recover from the third quarter of the current fiscal and that we will be able to touch full capacity utilization level by the end of September 2020. The reason for a muted Q4 FY20 can be ascribed to an interplay of several factors. The overall GDP growth in the quarter slowed down on account of weak market sentiments owing to the outbreak of COVID-19.

During the year under review your Company continued to focus on its fundamental strength i.e., productivity and quality. Strong emphasis were given on utilization of internal efficiencies together with an improvement in the sales mix which enabled your Company to withstand inflationary pressures on costs and profitability.

During the year under review, your Company has sold 11,568 MT of Ferro Silicon as against 14,580 MT recorded in previous year. Fall in production of Ferro Silicon was mainly due to fall in prices of Ferro Silicon in the market. However, prices started improving from end February, 2020. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding customer base.

#### POWER BUSINESS

During the year under review, your Company generated NIL KWH unit recorded in previous year as compared to 347 Lakhs KWH unit recorded in previous year which was captively consumed by the Company.

Further, M/s. Meghalaya Power Limited, an Associate Company has generated 161 Lakhs KWH units as compared to 1,701 Lakhs KWH units recorded in the previous year. During the Financial year 2019-20, the associate Company has posted PBT of ₹373.14 Lakhs and PAT of ₹359.37 Lakhs as against ₹1,511.10 Lakhs and ₹1,269.16 Lakhs respectively recorded in the previous financial year.

#### OPPORTUNITIES & THREATS, RISKS AND CONCERNS

Performance of the Company depends on the continued demand of our products in the steel and stainless steel industry. Government's initiatives to liberalise industrial policy, approval of National Steel policy and policy on 'Make in India' and other infrastructural initiatives taken for the entire country is expected to have positive impact of the ferro alloy industry and thereby boosting demand for the Company's product. Global stainless steel production growth is expected to 2.6% p.a. over average upto 2021.

However, challenge faced by the domestic industry due to fall in demand for lock down announced in the fear of Covid-19, overall fall in global demand, short availability of raw materials and very high power cost comparative with other countries, lack of infrastructural facilities for easy transportation of raw materials from mines to the location affects the sector. Policy of the Government, regulatory changes and force majeure events may also affect the domestic industry.

Despite these threats, Indian Ferro alloy industry has growth prospect due to rapid industrialization, urbanization and other infrastructural development. Various initiatives of the Government addressing their concern to help the industry and resolve the problems likely to have positive impact on the development of the industry. Further relaxations that may announce by the Government to boost the metal industry will have positive impact.

The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

#### PERFORMANCE AND OPERATIONS REVIEW

During the year under review, on a full year basis, the Company has posted total revenue of ₹8,913.93 Lakhs and Profit before Tax of ₹(12.08) Lakhs in FY 2019-20 as against ₹13,443.78 Lakhs and ₹1,479.38 Lakhs respectively during the previous financial year. Your Company produced 11,110 MT of Ferro Silicon during the year under review as against 15,219 MT in the Financial Year 2018-19.

#### SHARE CAPITAL

The paid up Equity Capital as on March 31, 2020 was ₹2,221.73 Lakhs. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

#### SHARES IN SUSPENSE ACCOUNT

Disclosures of the shares lying in Company's Unclaimed Shares Suspense Account are given in the Report of Corporate Governance.

#### EXTRACT OF ANNUAL RETURN

In terms of requirement of section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual return in form MGT-9 is annexed herewith and marked Annexure-1.

Further, in terms of section 134(3) (a) of the Companies Act, 2013 the Annual Return of the Company has been placed on the

Company's website and can be accessed at the web link: <http://shyamcenturyferrous.com/wp-content/uploads/2019/12/Annual-Return-2018-19.pdf>

#### MEETINGS OF THE BOARD

During the year, Five (5) Board Meetings and Four (4) Audit Committee meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are provided in the Corporate Governance Report.

#### MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, meeting of Independent Directors was held on 20th March, 2020 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also, inter alia, assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

#### COMMITTEES OF THE BOARD

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee and Nomination and Remuneration Committee.

#### WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2020/06/SCFL\\_Whistle-Blower-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2020/06/SCFL_Whistle-Blower-Policy.pdf)

#### POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholders' interests, industry standards and relevant Indian corporate regulations. The details on

the same are given in the Corporate Governance Report. The said policy may be referred to at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Remuneration-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Remuneration-Policy.pdf)

#### CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

#### COMPLIANCE WITH THE SECRETARIAL STANDARD AND INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the loss of the Company for the year under review;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

#### AUDITORS & AUDITORS' REPORT

M/s. AKSD & Associates (Formerly M/s. Kailash B. Goel & Co.), Chartered Accountants (Firm Registration no. 322460E), Statutory Auditors of the Company, have been re-appointed by the members at the eighth Annual General Meeting and shall hold office for a period of 2 years ('final term') from the date of such meeting held on 27th September, 2019.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

#### **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed Messrs Sanjib Das & Associates, Cost Accountants (Firm Registration Number 100751) as Cost Auditors of the Company for the financial year ended 31st March, 2020 in the Board Meeting held on 07th May, 2019. The remuneration proposed to be paid to them for the Financial year 2019-20, as recommended by audit committee, was ratified in the meeting of shareholders held on 27th September, 2019.

Messrs Sanjib Das & Associates, Cost Accountants (Firm Registration Number 100751) have expressed their willingness to be appointed as Cost Auditors of the Company for ensuing financial year. The Board, on recommendation of the audit committee has appointed Messrs Sanjib Das & Associates, Cost Accountants (Firm Registration Number 100751) as Cost Auditors of the Company for the Financial year 2020-21 subject to ratification of their remuneration by shareholders in the General Meeting of the Company.

The cost audit report for the Financial Year 2018-19 was filed with the Ministry of Corporate Affairs on 19th December, 2019.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MKB & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith marked Annexure-2. The report is self-explanatory and do not call for any further comments.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, your Company has not made any investment or provided guarantee or security in connection with a loan to any person exceeding the limit specified in Section 186 of the Companies Act, 2013.

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, there were no material contract or arrangement entered into by the Company with related parties as referred to in Section 188.

Therefore, disclosure in Form AOC-2 is not applicable. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the web link [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Related\\_Party\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Related_Party_Policy.pdf)

#### **RESERVES**

During the year under review no amount was transferred to reserves.

#### **DIVIDEND**

The Board of Directors of your company, after considering holistically the relevant circumstances and in order to conserve resources for future operations has decided that it would be prudent, not to recommend any Final Dividend for the Financial Year 2019-20 (Previous year NIL).

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134 (3) (m) of the Act and rules framed there under is mentioned below:

##### **(A) Steps taken toward Conservation of energy:**

- New 33KV HT Capacitor bank#3 (Rating 8544 KVAR at 38 KV) has been installed resulted to improve the import load power factor up to 1.0/unity(lagging) at full load condition. {before installation power factor was 0.96 (lagging)}.
- Renovation work has been carried out in cooling tower#1 of Ferro Alloys resulted to improve the cooling tower efficiency.

##### **(B) Steps taken toward Technical Absorption :**

- Reduced number of tapping per day by increasing tap to tap power resulted to reduce specific consumption of consumable items without effecting in specific power consumption.
- Reduced specific consumption of MS round by using lancing pipe and oxygen resulted to reduce the consumable item cost per MT
- In fire-fighting system; water pipe line modification has been done resulted to improve the effectiveness of the system.
- Casting of liquid metal to thin cake size has been modified resulted to minimize the 0-3mm Ferro silicon fines generation.

The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems for quality improvement. During the year under review there was no Capital expenditure and no Revenue Expenditure in Research & Development.

### (C) Foreign Exchange Earnings And Outgo

During the period under review, Foreign Exchange Earning was NIL (Previous Year ₹150.77 Lakhs) and Foreign Exchange Outgo was NIL (Previous Year NIL).

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

Your Company is promoting education and providing non-formal education to the rural and tribal people through One Teacher School (OTS) i.e., Ekal Vidyalaya run by the Friends of Tribal Society (FTS). The projects aims to reach the education to every doorstep of the country.

**The Committee is headed by Mr. Nagraj Tater, Director of your Company and consists of Members as stated below:**

Name	Category	Chairman/ Members
Mr. Nagraj Tater	Non-Independent	Chairman
Mr. Aditya Vimalkumar Agrawal	Non-Independent	Member
Mr. Mangilal Jain #	Independent	Member
Mr. Pramod Kumar Shah ##	Independent	Member

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member of the said committee w.e.f. 01.04.2020.

Annual Report on CSR as required to be annexed in terms of requirement of Section 135 of Companies Act, 2013 and rules framed thereunder is annexed herewith and marked Annexure-3.

The CSR Policy of the Company is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate_Social_Responsibility_Policy.pdf)

### EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and as per Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI), the Company has adopted a policy for evaluation of performance of the Board of Directors. The Board follows a formal mechanism for the evaluation of the performance of the Board as well as Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board will evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The Directors expressed their satisfaction over the evaluation process and results thereof.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Mangilal Jain, Independent Director retired from the Board with effect from close of the business hours of 31st March, 2020 due to completion of his existing term of appointment as Independent Director. Your Board of Directors record their appreciation for the valuable services and guidances rendered/given by Mr. Mangilal Jain during his association with the Company as a member of the Board and various Committees.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors appointed Mr. Pramod Kumar Shah (DIN: 00343256) as an additional director in Independent category for a period of 5 (five) years effective from 1st April, 2020 upto 31st March, 2025 subject to approval of the shareholders of the Company by way of Special Resolution at the ensuing Annual General Meeting.

Mr. Pramod Kumar Shah is the fellow member of the Institute of Chartered Accountants of India and is possessing necessary expertise in finance, accounts, audit and internal audit. He is also in the Board of various Companies. Your Board of Directors feels that appointment of Mr. Pramod Kumar Shah as Independent Director will be beneficial for the Company.

Mr. Pramod Kumar Shah has given his consent for appointment and has confirmed that he retains his status as Independent Director and does not suffer from any disqualifications for appointment.

Mr. M.V.K Nageswara Rao resigned as Chief Executive Officer and Key Managerial Personnel with effect from close of the business hours of 30th December, 2019. The Board places on record its appreciation for the services rendered by Mr. M.V.K. Nageswara Rao during his tenure as Chief Executive Officer. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 25th June, 2020 appointed Mr. Sumanta Kumar Patra as the Chief Executive Officer and Key Managerial Personnel of the Company with effect from 29th June, 2020

Mr. Uday Bahadur Chetri resigned as Chief Financial Officer and Key Managerial Personnel with effect from close of the business hours of 30th April, 2019. The Board places on record its appreciation for the services rendered by Mr. Uday Bahadur Chetri during his tenure with the Company. On the recommendation of the Audit Committee and Nomination and Remuneration Committee, the Board of Directors at its meeting held on 27th September, 2019 appointed Mr. Kamlesh

Pathak as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 01st October, 2019.

Your Board of Directors record their appreciation for the valuable services and guidances rendered/given by Mr. M.V.K. Nageswara Rao and Mr. Uday Bahadur Chetri during their association with the Company.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Aditya Vimalkumar Agrawal will retire by rotation and being eligible, offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Listing Regulations.

Mr. Santanu Ray, Mr. Mangilal Jain (till 31st March, 2020), Mrs. Plistina Dkhar and Mr. Pramod Kumar Shah (w.e.f 01st April, 2020) are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in section 149 of the Act and the Rules made thereunder and the Listing Regulations about their status as Independent Director of the Company.

Your Board of Directors formed opinion that the Independent Directors of the Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience in the fields of Administration, General management, Accounts & Finance, Audit, Internal Audit, Taxation, Risk, Board procedures, Governance etc., for performing their role as Independent Directors of the Company. Regarding proficiency, all Independent Directors have registered themselves in the Data Bank maintained with the Indian Institute of Corporate Affairs (IICA), Manesar. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self- assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank. Mr. Mangilal Jain (till 31st March, 2020), Mr. Santanu Ray and Mrs. Plistina Dkhar, Independent Directors are exempted from qualifying 'online proficiency test' due to their relevant experience in listed companies and the Companies with Paid up equity Capital is ₹10 crores and more. However, Mr. Pramod Kumar Shah (appointed w.e.f. 1st April, 2020) will appear in 'online proficiency test' within the period of 1 (one) year from the date of inclusion of his name in the data bank.

#### **FAMILIARIZATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTORS**

In order to enable the Independent Directors to perform their duties optimally, the Board has devised a familiarization programme for the Independent Directors to familiarise them with the Company, their

roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. They are periodically updated about the development which takes place in the Company. The Independent Directors have been issued Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and commitments etc. The familiarization program is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization\\_Programme\\_for\\_Independent\\_Directors.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization_Programme_for_Independent_Directors.pdf)

#### **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE**

The Company does not have any subsidiary and joint venture. M/s Meghalaya Power Limited continues to remain associate Company.

Meghalaya Power Limited is engaged in generation of Power. During the year under review the Company generated 161Lakhs KWH units of power.

#### **CHANGES IN NATURE OF BUSINESS, IF ANY**

There has not been any change in the nature of business.

#### **AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S ASSOCIATE**

Pursuant to sub-section (3) of section 129 of the Act, the statement containing salient features of the financial statement of associate Company Meghalaya Power Limited (MPL) for the year ended March 31, 2020 is annexed in the Form AOC – 1 and marked as Annexure-4.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company have been prepared in accordance to requirements of Indian Accounting Standards (Ind AS), as prescribed by the Institute of Chartered Accountants of India and has been included as a part of this Annual Report.

The detailed financial statements of the associate Company are available for inspection at the Registered Office of the Company during office hours between 11 A.M. and 1 P.M. As per the provisions of Section 136 of the Companies Act, 2013, separate audited financial statements of its associate Company are being placed on its website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and the Company will arrange to send the soft copy of the financial statements of its associate Company upon written request from the shareholders to their registered email ID.

#### **DEPOSITS**

During the year under report, the Company has not accepted any deposits from public or from any of the Directors of the Company or their relatives falling under ambit of Section 73 of the Companies Act, 2013.

#### **SIGNIFICANT MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS**

The Director of Mineral resources, Meghalaya, Shillong vide its Demand notice dated 19th February, 2020 raised a demand against the Company for payment of royalty, MEPRF, VAT/GST for an amount of ₹17.39 crores in pursuance to the National Green Tribunal (NGT)

order dated 17.01.2020 passed in O.A. No. 110(TCH)/2012 against the Company and other Cement and Power Companies in Meghalaya. By the said order NGT has accepted the recommendations of the 5th Interim Report of the Independent Committee set up by NGT for restoration of Environment and rehabilitation of victims, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya for alleged illegal coal procurement.

The Company have not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. The views of Independent Committee cannot be a substitute of hard facts or evidences necessary to form a decision culminating in recommendations. Further to note that neither show-cause was issued nor opportunity of hearing was given to the Company before submitting the Interim reports by the Independent Committee to NGT. NGT has also not served any notice on the Company before passing the impugned order dated 17.01.2020 in clear violation of principles of natural justice.

The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued on the basis of certain hypothetical assumptions and without giving any opportunity of being heard to the Company. Therefore, against the said Demand Notice the Company is preferring an appeal before the appropriate forum, and based on the legal opinions obtained by the Company there is every likelihood that the Demand Notice dated 19.02.2020 will be set aside and accordingly, no provisions has been made in the accounts and the same has been shown under contingent liability. (Refer Note no. 45 of Notes to Accounts).

Other than the aforesaid, there have been no significant and material orders passed by the Courts/ Regulators impacting the going concern status and future operations of the Company.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

#### **CREDIT RATINGS**

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has revised the Company's short term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) from "CARE A2+" (pronounced CARE A two plus, outlook stable) and revised the long term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable) from "CARE A-, Negative" (pronounced CARE Single A minus, outlook negative).

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL**

The Company maintains comprehensive internal control system, commensurate with the size of its operations and monitoring procedure for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal Audit Department of the Company periodically reviews the effectiveness and efficacy of Internal Control Systems and procedures. Audits are finalized and conducted based on internal risk assessments. Significant deviations from the standard procedures are brought to the notice of the Board periodically and corrective measures are recommended for implementation. All these steps facilitate timely detection of any irregularities, frauds and errors and early remedial measures to be undertaken so that no monetary losses are sustained. Significant audit observations, if any, and corrective actions thereon are presented to the Audit Committee of the Board.

#### **INTERNAL CONTROL OVER FINANCIAL REPORTING**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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.

#### **DETAILS OF SIGNIFICANT CHANGES (I.E., CHANGES OF 25% OR MORE) IN KEY FINANCIAL RATIO AND CHANGE IN RETURN ON NETWORTH ALONGWITH DETAILED EXPLANATIONS**

Key Financial Ratios	FY 2019-20	FY 2018-19	% change	Explanation for significant changes
Debtors Turnover ratio	2.63	4.37	(39.87)	Due to the increase in debtor cycle.
Inventory Turnover ratio	4.97	5.00	(0.55)	NA
Interest Coverage ratio	0.70	12.42	(94.37)	Due to decrease in sale price and increase in different variable costs.
Current ratio	5.27	5.18	1.83	NA
Debt Equity ratio	0.010	0.017	(38.61)	Debt was reduced due to its repayment in the year.

Key Financial Ratios	FY 2019-20	FY 2018-19	% change	Explanation for significant changes
Operating Profit Margin (%)	(1.84)	11.23	(116.37)	Due to decrease in sale price and increase in different variable costs.
Net Profit Margin (%)	(0.04)	7.86	(100.50)	Due to increase in power & fuel cost and other raw materials and decrease in the sale price of the finished goods.
Return on Net Worth	(0.00)	0.09	(100.33)	Due to increase in power & fuel cost and other raw materials and decrease in the sale price of the finished goods.

#### MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with a statement containing particulars of employees as required under Section 197 of Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked Annexure-5 and forms part of this report.

#### POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act") and has constituted the Committee with internal and external members. We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

#### CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI). A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

#### CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the Listing Obligations and Disclosures Requirements formulated by Securities and Exchange Board of India (SEBI), the CFO certification has been submitted to the Board and a copy thereof is contained in this Annual Report.

#### RISK MANAGEMENT

Risk management refers to the practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce the risk. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

#### HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

The Company has always provided a congenial atmosphere for work to all sections of society. It has provided equal opportunities of employment to all irrespective to their caste, religion, color, marital status and sex. The Company believes that human capital of the Company is its most valuable assets and its human resource policies are aligned towards this objective.

The Company focuses on enhancing organizational performance by focusing on quick grievance resolution mechanisms and maintaining cordial relations with employees and workmen across all levels. The relation amongst its employees remained harmonious and the year under review remained free from any labor unrest.

During the year under review, there has not been any material changes in human resources, industrial relations and number of people employed.

#### GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA and SEBI circulars, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 09th AGM and the Annual report of the Company for the financial year ended 31st March, 2020 are being sent only by email to the Members. A newspaper advertisement in this regard has also been published.

#### CAUTIONARY STATEMENT

Statements in this report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax

laws, economic development of the country, potential impact of the ongoing COVID-19 pandemic and related public health issues on economy of country, our business, the businesses of our customers, vendors and partners and other factors which are material to the business operations of the Company.

#### ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the Local Authorities, Customers, Vendors, Business partners/associates and Stock Exchanges for their continued guidance and support.

The Directors regret the loss of life due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hard work put in by every member of the Company and recognize their contribution towards Company's achievements. Your Directors express their gratitude to the shareholders of the Company for reposing their confidence and trust in the Management of the Company.

For and on behalf of the Board of Directors

Nagraj Tater  
Director  
(DIN: 00266072)

Aditya Vimalkumar Agrawal  
Director  
(DIN: 03330313)

Place : Kolkata  
Date : 25th June, 2020



## Annexure – 1

FORM NO. MGT - 9

### EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2020

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

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	L27310ML2011PLC008578
2	Registration Date	12th April, 2011
3	Name of the Company	Shyam Century Ferrous Limited
4	Category/Sub-category of the Company	Company limited by Shares/ Non-Govt. Company
5	Address of the Registered office & contact details	Village: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 Phone No. : 03655 - 278215 Email- info@shyamcenturyferrous.com; investors@shyamcenturyferrous.com Website: www.shyamcenturyferrous.com
6	Whether listed company	Yes
7	Name, Address & Contact Details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Private Limited 23, R.N.Mukherjee Road, 5th floor, Kolkata, West Bengal - 700001 Phone: 033-2248 2248; 033-22435029 Email - mdpldc@yahoo.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Ferro Alloys	24104	100.00

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Meghalaya Power Limited Village: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	U40108ML2002PLC006921	Associate	48.80	2(6)

#### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

##### (i) Category-wise Share Holding

Category of Shareholders	"No. of Shares held at the beginning of the year [As on 01-April-2019]"				"No. of Shares held at the end of the year [As on 31-March-2020]"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	7,12,36,075	–	7,12,36,075	32.06	7,12,36,075	–	7,12,36,075	32.06	–
b) Central Government	–	–	–	–	–	–	–	–	–
c) State Government(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corporate	4,11,29,080	–	4,11,29,080	18.51	4,98,17,080	–	4,98,17,080	22.42	3.91
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
<b>Sub-total (A) (1)</b>	<b>11,23,65,155</b>	<b>–</b>	<b>11,23,65,155</b>	<b>50.58</b>	<b>12,10,53,155</b>	<b>–</b>	<b>12,10,53,155</b>	<b>54.49</b>	<b>3.91</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other - Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
<b>Sub - total (A) (2)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total shareholding of promoter (A) = (A) (1) + (A) (2)</b>	<b>11,23,65,155</b>	<b>–</b>	<b>11,23,65,155</b>	<b>50.58</b>	<b>12,10,53,155</b>	<b>–</b>	<b>12,10,53,155</b>	<b>54.49</b>	<b>3.91</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	–	–	–	–	–	–	–	–	–
c) Central Government	–	–	–	–	–	–	–	–	–
d) State Government(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others:									
Foreign Portfolio Investors	–	–	–	–	–	–	–	–	–
<b>Sub-total (B)(1)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	2,65,00,593	10,500	2,65,11,093	11.93	4,82,57,256	10,500	4,82,67,756	21.73	9.79
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	1,60,81,386	5,32,387	1,66,13,773	7.48	1,66,93,331	5,12,887	1,72,06,218	7.74	0.27
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	6,58,97,242	–	6,58,97,242	29.66	3,49,80,948	–	3,49,80,948	15.74	(13.92)
c) Others (specify)									

1. Clearing member	3,64,295	–	3,64,295	0.16	23,901	–	23,901	0.01	(0.15)
2. Non-resident Individual	3,20,352	–	3,20,352	0.14	5,39,932	–	5,39,932	0.24	0.10
3. Trusts	7,500	–	7,500	0.00	7,500	–	7,500	0.00	–
4. NBFCs registered with RBI	–	–	–	–	–	–	–	–	–
5. Domestic Corporate Unclaimed Shares Account	93,580	–	93,580	0.04	93,580	–	93,580	0.04	–
<b>Sub-total (B)(2)</b>	<b>10,92,64,948</b>	<b>5,42,887</b>	<b>10,98,07,835</b>	<b>49.42</b>	<b>10,05,96,448</b>	<b>5,23,387</b>	<b>10,11,19,835</b>	<b>45.51</b>	<b>(3.91)</b>
<b>Total Public shareholding (B) = (B) (1) + (B) (2)</b>	<b>10,92,64,948</b>	<b>5,42,887</b>	<b>10,98,07,835</b>	<b>49.42</b>	<b>10,05,96,448</b>	<b>5,23,387</b>	<b>10,11,19,835</b>	<b>45.51</b>	<b>(3.91)</b>
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>22,16,30,103</b>	<b>5,42,887</b>	<b>22,21,72,990</b>	<b>100.00</b>	<b>22,16,49,603</b>	<b>5,23,387</b>	<b>22,21,72,990</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April-2019]			Shareholding at the end of the year [As on 31-March-2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Brijdham Merchants Pvt. Ltd.	95,43,990	4.30	–	1,82,31,990	8.21	–	3.91
2	Ms. Santosh Bhajanka	1,50,49,500	6.77	–	1,50,49,500	6.77	–	–
3	Ms. Divya Agarwal	1,44,88,750	6.52	–	1,44,88,750	6.52	–	–
4	Mr. Sanjay Agarwal	1,42,12,976	6.40	–	1,42,12,976	6.40	–	–
5	Mr. Sajjan Bhajanka	1,12,34,493	5.06	–	1,12,34,493	5.06	–	–
6	Sriram Vanija Pvt. Ltd.	85,02,180	3.83	–	85,02,180	3.83	–	–
7	Sumangal International Pvt. Ltd.	76,66,800	3.45	–	76,66,800	3.45	–	–
8	Sumangal Business Pvt. Ltd.	68,31,240	3.07	–	68,31,240	3.07	–	–
9	Sriram Merchants Pvt. Ltd.	67,39,870	3.03	–	67,39,870	3.03	–	–
10	Mr. Prem Kumar Bhajanka	57,85,506	2.60	–	57,85,506	2.60	–	–
11	Mr. Hari Prasad Agarwal	24,35,760	1.10	–	24,35,760	1.10	–	–
12	Auroville Investments Pvt. Ltd.	18,45,000	0.83	–	18,45,000	0.83	–	–
13	Hari Prasad Agarwala and Ors	15,30,990	0.69	–	15,30,990	0.69	–	–
14	Ms. Sumitra Devi Agarwal	15,26,250	0.69	–	15,26,250	0.69	–	–
15	Ms. Bhawna Agarwal	12,73,690	0.57	–	12,73,690	0.57	–	–
16	Ms. Sonu Kajaria	10,30,010	0.46	–	10,30,010	0.46	–	–
17	Ms. Payal Agrawal	10,00,000	0.45	–	10,00,000	0.45	–	–
18	Ms. Shraddha Agarwal	800,000	0.36	–	8,00,000	0.36	–	–
19	Mr. Rajesh Kumar Agarwal	745,225	0.34	–	7,45,225	0.34	–	–
20	Mr. Keshav Bhajanka	122,925	0.06	–	1,22,925	0.06	–	–
21	Ms. Yash Bhajanka	–	–	–	–	–	–	–
22	Ms. Nancy Choudhary	–	–	–	–	–	–	–
<b>Total</b>		<b>11,23,65,155</b>	<b>50.58</b>	<b>–</b>	<b>12,10,53,155</b>	<b>54.49</b>	<b>–</b>	<b>3.91</b>

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

Sl. No.	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	Brijdham Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2019		95,43,990	4.30		
	Changes during the year	06.06.2019	Transfer	86,88,000	3.91	1,82,31,990	8.21
	At the end of the year	31.03.2020		1,82,31,990	8.21	1,82,31,990	8.21
2	Ms. Santosh Bhajanka						
	At the beginning of the year	01.04.2019		1,50,49,500	6.77		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		1,50,49,500	6.77	1,50,49,500	6.77
3	Ms. Divya Agarwal						
	At the beginning of the year	01.04.2019		1,44,88,750	6.52		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		1,44,88,750	6.52	1,44,88,750	6.52
4	Mr. Sanjay Agarwal						
	At the beginning of the year	01.04.2019		1,42,12,976	6.40		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		1,42,12,976	6.40	1,42,12,976	6.40
5	Mr. Sajjan Bhajanka						
	At the beginning of the year	01.04.2019		1,12,34,493	5.06		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		1,12,34,493	5.06	1,12,34,493	5.06
6	Sriram Vanijya Pvt. Ltd.						
	At the beginning of the year	01.04.2019		85,02,180	3.83		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		85,02,180	3.83	85,02,180	3.83
7	Sumangal International Pvt. Ltd.						
	At the beginning of the year	01.04.2019		76,66,800	3.45		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		76,66,800	3.45	76,66,800	3.45
8	Sumangal Business Pvt. Ltd.						
	At the beginning of the year	01.04.2019		68,31,240	3.07		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		68,31,240	3.07	68,31,240	3.07
9	Sriram Merchants Pvt. Ltd.						
	At the beginning of the year	01.04.2019		67,39,870	3.03		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		67,39,870	3.03	67,39,870	3.03
10	Mr. Prem Kumar Bhajanka						
	At the beginning of the year	01.04.2019		57,85,506	2.60		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		57,85,506	2.60	57,85,506	2.60
11	Mr. Hari Prasad Agarwal						
	At the beginning of the year	01.04.2019		24,35,760	1.10		

	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	24,35,760	1.10	24,35,760	1.10
12	Auroville Investments Pvt. Ltd.					
	At the beginning of the year	01.04.2019	18,45,000	0.83		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	18,45,000	0.83	18,45,000	0.83
13	Hari Prasad Agarwala and Ors					
	At the beginning of the year	01.04.2019	15,30,990	0.69		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	15,30,990	0.69	15,30,990	0.69
14	Ms. Sumitra Devi Agarwal					
	At the beginning of the year	01.04.2019	15,26,250	0.69		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	15,26,250	0.69	15,26,250	0.69
15	Ms. Bhawna Agarwal					
	At the beginning of the year	01.04.2019	12,73,690	0.57		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	12,73,690	0.57	12,73,690	0.57
16	Ms. Sonu Kajaria					
	At the beginning of the year	01.04.2019	10,30,010	0.46		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	10,30,010	0.46	10,30,010	0.46
17	Ms. Payal Agrawal					
	At the beginning of the year	01.04.2019	10,00,000	0.45		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	10,00,000	0.45	10,00,000	0.45
18	Ms. Shraddha Agarwal					
	At the beginning of the year	01.04.2019	8,00,000	0.36		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	8,00,000	0.36	8,00,000	0.36
19	Mr. Rajesh Kumar Agarwal					
	At the beginning of the year	01.04.2019	7,45,225	0.34		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	7,45,225	0.34	7,45,225	0.34
20	Mr. Keshav Bhajanka					
	At the beginning of the year	01.04.2019	1,22,925	0.06		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	1,22,925	0.06	1,22,925	0.06
21	Ms. Yash Bhajanka					
	At the beginning of the year	01.04.2019	-	-		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	-	-	-	-
22	Ms. Nancy Choudhary					
	At the beginning of the year	01.04.2019	-	-		
	Changes during the year			No changes during the year		
	At the end of the year	31.03.2020	-	-	-	-

**(iv) Shareholding Pattern of top ten Shareholders**

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

Sl. No.	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	SUBHAM BUILDWELL PVT. LTD. *						
	At the beginning of the year	01.04.2019		685,630	0.31		
	Changes during the year	19.07.2019	Transfer	30,200,000	13.59	3,08,85,630	13.90
	At the end of the year	31.03.2020		30,885,630	13.90	3,08,85,630	13.90
2	ANURAG CHOUDHARY						
	At the beginning of the year	01.04.2019		1,11,96,575	5.04		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		1,11,96,575	5.04	1,11,96,575	5.04
3	KALPATARU HOUSING FINANCE AND TRADING PRIVATE LIMITED						
	At the beginning of the year	01.04.2019		1,07,07,253	4.82		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		1,07,07,253	4.82	1,07,07,253	4.82
4	OM PRAKASH SANJIV KUCKIAN						
	At the beginning of the year	01.04.2019		50,00,000	2.25		
	Changes during the year	20.03.2020	Transfer	(1,00,000)	(0.05)	49,00,000	2.21
	At the end of the year	31.03.2020		49,00,000	2.21	49,00,000	2.21
5	SHEETIJ AGARWAL						
	At the beginning of the year	01.04.2019		32,00,000	1.44		
	Changes during the year	19.07.2019	Transfer	(2,00,000)	(0.09)	30,00,000	1.35
	At the end of the year	31.03.2020		30,00,000	1.35	30,00,000	1.35
6	PRITI A DOSHI						
	At the beginning of the year	01.04.2019		20,30,000	0.91		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		20,30,000	0.91	20,30,000	0.91
7	NARENDRA KUMAR JINDAL						
	At the beginning of the year	01.04.2019		19,55,000	0.88		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		19,55,000	0.88	19,55,000	0.88
8	MITTU AGARWAL						
	At the beginning of the year	01.04.2019		63,65,687	2.87		
	Changes during the year	20.09.2019	Transfer	(45,00,000)	(2.03)	18,65,687	0.84
		20.12.2019	Transfer	438	0.00	18,66,125	0.84
	At the end of the year	31.03.2020		18,66,125	0.84	18,66,125	0.84
9	SUBHAM CAPITAL PRIVATE LIMITED *						
	At the beginning of the year	01.04.2019		1,736,721	0.78		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		1,736,721	0.78	17,36,721	0.78
10	NARANTAK DEALCOMM LIMITED						
	At the beginning of the year	01.04.2019		14,17,600	0.64		
	Changes during the year					No changes during the year	
	At the end of the year	31.03.2020		14,17,600	0.64	14,17,600	0.64

11	MAHABIR PRASAD AGARWAL #						
	At the beginning of the year	01.04.2019		75,00,000	3.38		
	Changes during the year	19.07.2019	Transfer	(75,00,000)	(3.38)	-	-
	At the end of the year	31.03.2020		-	-	-	-
12	PATTON INTERNATIONAL LIMITED #						
	At the beginning of the year	01.04.2019		80,12,926	3.61		
	Changes during the year	07.06.2019	Transfer	(80,12,926)	(3.61)	-	-
	At the end of the year	31.03.2020		-	-	-	-
13	BRIJ BHUSHAN AGARWAL #						
	At the beginning of the year	01.04.2019		2,28,46,012	10.28		
	Changes during the year	19.07.2019	Transfer	(2,27,00,000)	(10.22)	1,46,012	0.07
	At the end of the year	31.03.2020		1,46,012	0.07	1,46,012	0.07

Note:

\* Not in the list of Top 10 shareholders as on 01.04.2019, the same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2020

# Ceased to be in the list of Top 10 shareholders as on 31.03.2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2019.

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

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	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	<b>Mr. Sajjan Bhajanka (Non Executive Director)</b>						
	At the beginning of the year	01.04.2019		1,12,34,493	5.06		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		1,12,34,493	5.06	1,12,34,493	5.06
2	<b>Mr. Nagraj Tater (Non Executive Director)</b>						
	At the beginning of the year	01.04.2019		9,000	0.00		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		9,000	0.00	9,000	0.00
3	<b>Mr. Aditya VimalKumar Agrawal (Non Executive Director)</b>						
	At the beginning of the year	01.04.2019		-	-		
	Changes during the year	20.09.2019	Transfer	45,00,000	2.03	45,00,000	2.03
	At the end of the year	31.03.2020		45,00,000	2.03	45,00,000	2.03
4	<b>Mr. Mangilal Jain (Independent Director)</b>						
	At the beginning of the year	01.04.2019		4,700	0.00		
	Changes during the year	28.06.2019	Transfer	(4,700)	(0.00)	-	-
	At the end of the year	31.03.2020		-	-	-	-
5	<b>Mr. Santanu Ray (Independent Director)</b>						
	At the beginning of the year	01.04.2019		-	-		
	Changes during the year			No changes during the year			
	At the end of the year	31.03.2020		-	-	-	-
6	<b>Mrs. Plistina Dkhar (Independent Director)</b>						
	At the beginning of the year	01.04.2019		750	0.00		

Changes during the year		No changes during the year			
At the end of the year	31.03.2020	750	0.00	750	0.00
<b>7</b>	<b>Mr. M.V.K.Nageswara Rao (Chief Executive Officer upto 30.12.2019)*</b>				
At the beginning of the year	01.04.2019	-	-		
Changes during the year		No changes during the year			
At the end of the year	30.12.2019	-	-	-	-
<b>8</b>	<b>Mr. Uday Bahadur Chetri (Chief Financial Officer upto 30.04.2019)*</b>				
At the beginning of the year	01.04.2019	-	-		
Changes during the year		No changes during the year			
At the end of the year	30.04.2019	-	-	-	-
<b>9</b>	<b>Mr. Kamlesh Pathak (Chief Financial Officer w.e.f 01.10.2019)#</b>				
At the beginning of the year	01.10.2019	-	-		
Changes during the year		No changes during the year			
At the end of the year	31.03.2020	-	-	-	-
<b>10</b>	<b>Ms. Neha Agarwal (Company Secretary)</b>				
At the beginning of the year	01.04.2019	-	-		
Changes during the year		No changes during the year			
At the end of the year	31.03.2020	-	-	-	-

\* Part of the year considered, since ceased to be KMP before 31.03.2020.

# Part of the year considered, since appointed as KMP after 01.04.2019.

#### V. INDEBTEDNESS

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

(Amt. ₹/ Lakhs)

Name and Address of the Company	Secured Loans excluding deposits	Unsecured Loans	Deposits**	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	340.03	-	-	340.03
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>340.03</b>	<b>-</b>	<b>-</b>	<b>340.03</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	144.63	-	-	144.63
Net Change	144.63	-	-	144.63
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	195.40	-	-	195.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>195.40</b>	<b>-</b>	<b>-</b>	<b>195.40</b>

\*\* Trade Deposits have not been included



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Not Applicable

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹/ Lakhs)
	Name		
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		-
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	<b>Total (A)</b>		-
	Ceiling as per the Act	5% of the Net profit, calculated as per Section 198 of Companies Act, 2013 i.e. ₹ (0.79) Lakhs	

### B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹/ Lac)
		Mr. Santanu Ray	Mr. Mangilal Jain	Mrs.Plistina Dkhar	
1	Independent Directors				
	Fee for attending Board /Committee meetings	0.50	0.48	0.05	1.03
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0.50	0.48	0.05	1.03
2	Other Non-Executive Directors				
	Fee for attending Board /Committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>0.50</b>	<b>0.48</b>	<b>0.05</b>	<b>1.03</b>
	Total Managerial Remuneration				1.03
	Overall ceiling as per the Act	3% of Net profit, calculated as per Section 198 of Companies Act, 2013 i.e. ₹ (0.47)Lakhs			

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

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel				Total Amount (₹/Lac)
		Mr. M.V.K. Nageswara Rao#	Mr. Uday Bahadur Chetri *	Mr. Kamlesh Pathak **	Ms. Neha Agarwal	
	Designation	CEO	CFO	CFO	CS	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	27.71	1.10	3.47	8.09	40.37
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	-		-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-		-	-	-
2	Stock Option	-		-	-	-
3	Sweat Equity	-		-	-	-
4	Commission					
	- as % of profit	-		-	-	-
	- others, specify	-		-	-	-
5	Others, please specify	-		-	-	-
	<b>Total</b>	<b>27.71</b>	<b>1.10</b>	<b>3.47</b>	<b>8.09</b>	<b>40.37</b>

# Resigned w.e.f. 30.12.2019

\* Resigned w.e.f. 30.04.2019

\*\* Appointed w.e.f. 01.10.2019

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

There were no penalties/Punishments/Compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other Officer in default during the year.

## Annexure – 2

**FORM NO. MR3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

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

To  
The Members,

**SHYAM CENTURY FERROUS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHYAM CENTURY FERROUS 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2020, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The 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 Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable;

- a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
- b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
- c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- e) The Securities & Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018
- i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
  - a) The Boilers Act, 1923
  - b) The Environment (Protection) Act, 1986
  - c) The Water( Prevention and Control of Pollution) Act, 1974
  - d) The Air( Prevention and Control of Pollution) Act, 1981
  - e) The Meghalaya Forest Act, 1973

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- a) The Board of Directors of the Company is duly constituted with proper balance of Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period, the Company has passed the following special resolutions:

- a) re-appointment of Mr. Santanu Ray as an Independent Director for a second term of one consecutive year commencing from 1st April, 2020 upto 31st March, 2021;
- b) re-appointment of Mrs. Plistina Dkhar as an Independent Director for a second term of five consecutive years commencing from 1st April, 2020 upto 31st March, 2025;

We further report that during the period under audit:

- a) Mr. Uday Bahadur Chetri, Chief Financial Officer of the Company resigned from the services of the Company as Chief Financial Officer and Key Managerial Personnel with effect from close of business hours on 30th April, 2019;
- b) Mr. Kamlesh Pathak had been appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from 1st October, 2019;
- c) Mr. M.V.K Nageswara Rao, Chief Executive Officer of the Company has resigned from the services of the Company as Chief Executive Officer and Key Managerial Personnel with effect from close of business hours on 30th December, 2019;
- d) Mr. Pramod Kumar Shah had been appointed as an Additional Director in the Independent Category of the Company on 06th February, 2020 with effect from 1st April, 2020 upto 31st March, 2025;

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

**For MKB & Associates**  
Company Secretaries

**Raj Kumar Banthia**  
(Partner)

Date: 25.06.2020

Place: Kolkata

UDIN: A017190B000380201

ACS no. 17190

COP no. 18428

FRN: P2010WB042700

## Annexure – 1

To  
The Members,

### **SHYAM CENTURY FERROUS LIMITED**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were 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 process 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's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

Note: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since 24th March 2020. During the Lockdown, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode only and the same have been verified by us.

**For MKB & Associates**  
Company Secretaries

**Raj Kumar Banthia**  
(Partner)

Date: 25.06.2020  
Place: Kolkata  
UDIN: A017190B000380201

ACS no. 17190  
COP no. 18428  
FRN: P2010WB042700

## Annexure – 3

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY(CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act & Rules made thereunder]

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

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The main objective of the policy is to establish the basic principles and the general framework of action for management to undertake and fulfill its Corporate Social Responsibility.

The CSR Policy of the Company is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate_Social_Responsibility_Policy.pdf)

2. The composition of the CSR Committee:

- Mr. Nagraj Tater - Chairman (Non-Executive Director)
- Mr. Aditya VimalKumar Agrawal - Member (Non-Executive Director)
- Mr. Mangilal Jain - Member (Independent Director) (till 31st March, 2020)
- Mr. Pramod Kumar Shah - Member (Independent Director) (w.e.f. 1st April, 2020)

3. Average Net Profit of the Company for last 3 financial years: ₹1294.20 Lakhs

4. Prescribed CSR expenditure (2% of amount) : ₹ 25.88 Lakhs

5. Details of CSR activities/projects undertaken during the year:

- a) Total amount to be spent for the financial year: ₹ 25.88 Lakhs
- b) Amount un-spent, if any: Nil
- c) Manner in which the amount spent during financial year is detailed below:

(₹ in Lakhs)

1	2	3	4	5	6	7	8
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects/Programs 1.Local area or other 2.Specify the state and district where project or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1.Direct expenditure on projects or programs, 2.Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct/ through implementing agency
1.	Education Project: To provide non-formal primary education through cost effective One Teacher school (O.T.S.) i.e. Ekal Vidyalaya.	Education	Throughout the Country	26.40	26.40	26.40	Through implementing agency i.e. Friends of Tribal Society
	Total			26.40	26.40	26.40	

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata  
Date: 25th June, 2020

Nagraj Tater  
Director  
(DIN: 00266072)  
Chairman – CSR Committee

Aditya VimalKumar Agrawal  
Director  
(DIN: 03330313)

## Annexure – 4

### FORM AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures

Part "A": Subsidiaries/ Step down Subsidiaries – Not Applicable

The Company does not have subsidiary, hence, the requirements under this part is not applicable to the Company.

Part "B": Associates and Joint Ventures

(₹ in Lakhs)

Sl. No.	Name of Associate - Meghalaya Power Limited	Amount
1.	Latest audited Balance Sheet Date	31st March, 2020
2.	Shares of Associate held by the company on the year end	
	No. of shares	83,58,998
	Amount of Investment in Associates/Joint Venture	7009.60
	Extend of Holding %	48.80%
3.	Description of how there is significant influence	By way of 48.80% holding
4.	Reason why the associate/joint venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	7009.60
6.	Profit / Loss for the year	
	i. Considered in Consolidation	175.36
	ii. Not Considered in Consolidation	Not Applicable

The following information shall be furnished:-

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board

Nagraj Tater  
Director  
(DIN:00266072)

Aditya Vimalkumar Agrawal  
Director  
(DIN: 03330313)

Place : Kolkata  
Date : 25th June, 2020

Kamlesh Pathak  
Chief Financial Officer

Neha Agarwal  
Company Secretary

## Annexure – 5

### PARTICULARS OF MANAGERIAL REMUNERATION

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:

Name of Directors & Key Managerial Personnel	Designation	Increase in Remuneration in the financial year (%)	Ratio of remuneration of each director to median remuneration of all employees*
Mr. M.V.K.Nageswara Rao##	Chief Executive Officer (resigned w.e.f 30.12.2019)	-	-
Mr. Uday Bahadur Chetri##	Chief Financial Officer (resigned w.e.f 30.04.2019)	-	-
Mr. Kamlesh Pathak ##	Chief Financial Officer (appointed w.e.f. 01.10.2019)	-	-
Ms. Neha Agarwal	Company Secretary (appointed w.e.f. 30.05.2017)	54.18	-

\*None of the Directors receive any remuneration from the Company and the Independent Directors are paid only sitting fees for attending the meeting of the Board or Committee thereof.

## Since this information is for the part of the financial year 2019-20, the same is not comparable.

(ii) Percentage increase in the median remuneration of employees in the Financial Year: 1.53%

(iii) The number of permanent employees on the rolls of the Company :115

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

The average percentile increase in the salaries of non-managerial employees in the Financial Year 2019 -20 was NIL (other than salary of Company Secretary) while the average percentile increase in the Managerial remuneration was NIL.

(v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



Statement of Particulars of Employees pursuant to the Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name of the Employees	Designation	Remuneration Received (₹ in Lakhs)	Nature of Employment	Qualification	Experience (Years)	Date of commencement of employment	Age (Years)	Last Employment	% of Equity Share held in the Company	Relation with Director, if any
1	Mr. Sumanta Kumar Patra	Assistant General Manager	18.29	Permanent	D. EE + HSLC	19	22.11.2012	40	M/s Platinum Alloys Pvt. Ltd	Nil	None
2	Mr. Moida Ramakrishna	Advisor HR	9.32	Permanent	M.A, BL, PG Dip PM, (NIPM)	38	06.11.2015	62	M/s Facor Alloys Ltd	Nil	None
3	Mr. Kailash Chandra Biswal	Sr. Manager Production	9.30	Permanent	BA	19	10.01.2013	40	M/s Jai Balaji Industries Ltd.	Nil	None
4	Mr. Uttam Das	Manager (Captive Power Plant)	8.71	Permanent	DME+ B.OE	19	27.07.2007	39	M/s DLF Power Ltd	Nil	None
5	Ms. Neha Agarwal	Company Secretary	8.09	Permanent	B.Com + CS + LLB	5	30.05.2017	27	M/s. Shyam Century Cement Industries Ltd.	Nil	None
6	Mr. Mcss N. Murthy	Manager Production	7.75	Permanent	Intermediate	33	01.09.2015	56	M/s Sarada Ferro Alloys Ltd.	Nil	None
7	Mr. Uttam Kr. Mahanta	Dy. Manager (Production)	7.28	Permanent	B.Sc.	18	08.01.2013	39	M/s Anjaney Alloys Ltd.	Nil	None
8	Mr. Sandip Purkayastha	Assistant Manager (Stores)	6.27	Permanent	B.Sc.	19	14.01.2013	44	M/s Shree Shakambari Ferro Alloys Private Limited	Nil	None
9	Mr. S. Sunil Acharya	Engineer (Captive Power Plant)	5.70	Permanent	I.T.I (Fitter) 2nd class boiler Attendant	12	19.05.2008	40	Enmas O & M	Nil	None
10	Mr. Ajit Singh	Manager (Laboratory)	5.25	Permanent	B.Sc.	7	01.02.2013	45	M/s. Platinum Alloys Ltd.	Nil	None

For and on behalf of the Board

Place: Kolkata

Date: 25th June, 2020

Nagraj Tater

Director  
(DIN:00266072)

Aditya Vimalkumar Agrawal

Director  
(DIN: 03330313)

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2019-20

The Directors present the Company's Report on Corporate Governance:

### Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company at large and its stakeholders. It emphasizes the need for full transparency, accountability and compliances with laws and regulations in all its transactions and interactions with its stakeholders, employees, lenders and the Government etc., without compromising the environment and health of society at large. Your Company has complied with the requirements of Corporate Governance as laid down under SEBI Regulations.

### BOARD OF DIRECTORS

#### Composition:

As on the date of this report, the Board consists of six Directors out of which three are Non-Executive Directors and three Independent Directors out of which one is a woman Director. The Board members are expert in different disciplines of corporate working. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

None of the Directors is a member of the Board of more than twenty Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees. Further, none of the Directors is a member of the Board in more than seven listed entities and Independent Directors of the Company are not serving

as an Independent Director in more than seven listed entities. None of the Managing Directors of the Company are serving as an Independent Director in not more than three listed entities.

\*\*Mr. M.V.K.Nageshwara Rao was the Chief Executive Officer (till close of business hours of 30th December, 2019 and \* Mr. Kamlesh Pathak (w.e.f. 01st October, 2019) is the Chief Financial Officer of the Company.

Mr. Sumanta Kumar Patra appointed as the Chief Executive Officer with effect from 29th June, 2020.

#### The Composition is as provided below:

Name of the Director	Designation	Category
Mr. Sajjan Bhajanka	Director	Promoter - Non-Executive
Mr. Nagraj Tater	Director	Non-Executive
Mr. Aditya Vimalkumar Agrawal	Director	Non-Executive
Mrs. Plistina Dkhar	Director	Independent
Mr. Mangilal Jain #	Director	Independent
Mr. Pramod Kumar Shah ##	Director	Independent
Mr. Santanu Ray	Director	Independent

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

### Directorship, Committee membership and Chairmanship

The details of each member of the Board along with the number of Directorship(s) / Committee Membership(s) and Committee Chairmanship/ name of listed entities where he/she is a Director and category of Directorship as on date of this report are provided herein below:

Name of the Director	Number of Directorship of Public Limited Companies *	Number of Membership including Chairmanship of Board Committee(s) **	Name of listed entities where he/she is a Director and category of Directorship
Mr. Sajjan Bhajanka	7	4	1. Century Plyboards (India) Limited-Managing Director 2. Star Cement Limited – Managing Director
Mr. Nagraj Tater	8	1	–
Mr. Aditya Vimalkumar Agrawal	3	2	–
Mr. Mangilal Jain #	8	7 (4 as Chairman)	1. Century Plyboards (India) Limited-Independent Director 2. Star Cement Limited – Independent Director
Mr. Pramod Kumar Shah ##	10	9 (5 as Chairman)	1. Emami Frank Ross Limited - Independent Director 2. Skipper Limited – Independent Director 3. Star Cement Limited – Independent Director

Mr. Santanu Ray	10	9 (5 as Chairman)	1. Century Plyboards (India) Limited - Independent Director 2. LA Opala R G Limited – Independent Director 3. Star Cement Limited – Independent Director 4. SKP Securities Limited – Independent Director 5. Genesis Export Limited – Independent Director 6. Bharat Road Network Limited – Independent Director
Mrs. Plistina Dkhar	4	–	Star Cement Limited – Independent Director

\* Includes Private Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/Professional Bodies but excludes Foreign Companies.

\*\* Only Audit Committee and Stakeholders' Relationship Committee have been considered as per SEBI Regulations.

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors :-

Industry, Leadership, Accounts & Finance, Taxes, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Risks, Administration and General Management, Board procedures and Governance.

#### List of Directors possessing the aforesaid skills/expertise and competencies :

Name of Directors	Skills/Expertise and Competencies
Mr. Sajjan Bhajanka	Industry, Leadership, Accounts & Finance, Production, Technical, Logistics, Legal, Sales, Marketing, Branding, Board procedures and Governance etc.
Mr. Nagraj Tater	Administration and General Management, Industry, Leadership, Accounts & Finance, Sales, Marketing, Branding, Board procedures and Governance etc.
Mr. Aditya Vimalkumar Agrawal	Administration and General Management, Industry, Accounts & Finance, Production, Technical, Logistics, Sales, Marketing, Board procedures and Governance etc.
Mr. Mangilal Jain *	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures and Governance etc.
Mr. Pramod Kumar Shah **	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mr. Santanu Ray	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
Mrs. Plistina Dkhar	Administration and General management, Board procedures, Governance etc.

\*Upto 31st March, 2020

\*\* W.e.f. 1st April, 2020

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the listing regulations and are independent of the management.

#### Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once in every quarter to review the Quarterly results. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed

decisions. Agenda also includes minutes of the meetings of all the Board Committees for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman and consent of the members. Drafts minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/ items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

### Number and dates of Board Meetings held during the year

Five (5) Board Meetings were held during the Financial Year 2019-20 and the gap between two meetings did not exceed four months. The Meetings were held on 07th May, 2019; 31st July, 2019; 27th September, 2019; 05th November, 2019 and 06th February, 2020. The Attendance at the Board Meetings during the Financial Year 2019-20 and at the previous Annual General Meeting is as under:

Name of Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	5	Yes
Mr. Nagraj Tater	3	No
Mrs. Plistina Dkhar	1	Yes
Mr. Mangilal Jain #	5	Yes
Mr. Santanu Ray	5	Yes
Mr. Aditya Vimalkumar Agrawal	4	No
Mr. Pramod Kumar Shah ##	-	-

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category w.e.f. 01.04.2020.

### Separate Meeting of Independent Directors

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Regulations, separate meetings of the Independent Directors of the Company were held on 20th March, 2020, to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees, which is necessary to effectively and reasonably perform and discharge their duties.

### Induction and Familiarization Program for Directors:

As per the Listing Regulations, the Company shall provide suitable training to the Directors to familiarize them with the Company, nature of the industry in which the Company operates etc. The members of the Board of Directors are well acquainted with the industry and are provided necessary reports, documents and other presentations including interactive session with CEO and other heads of the Company. Efforts are made to familiarize the Directors about their roles, rights, and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarization are available on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization\\_Programme\\_for\\_Independent\\_Directors.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Familiarization_Programme_for_Independent_Directors.pdf)

### Performance Evaluation

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees. A structured questionnaire for evaluation was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement. The performance evaluation of the Non-Independent Directors and Board as a whole was also carried out by the Independent Directors.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. The Directors expressed their satisfaction over the evaluation process.

### Resume of Directors proposed to be re-appointed/appointed:

The brief resume of Directors retiring by rotation and seeking re-appointment/appointment is appended in the notice convening the Annual General Meeting.

### COMMITTEES OF THE BOARD

Currently, the Board has five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Finance Committee. The terms of reference of these Committees are determined by the Board and subject to be reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all members of Committee individually and tabled at the Board Meetings.

### AUDIT COMMITTEE:

The Audit Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely, and proper disclosures and transparency, integrity and quality of financial reporting.

**The terms of reference of the Audit Committee are broadly inter alia as follows:**

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

- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. 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;
  - 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;
  - g. modified opinion(s) in the draft audit report
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. To review utilization of loans and/ or advances by holding company in subsidiary companies exceeding Rs.100.00 crores or 10% of asset size of subsidiary whichever is lower.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**Composition, number of Meetings and Attendance:**

The Audit Committee met four (4) times during the Financial Year 2019-20. The Audit Committee's composition meets the requirements of Section 177 of the Companies Act, 2013 and SEBI Regulations. The Members of the Audit Committee possess financial/ accounting expertise/ exposure. The Committee was chaired by Mr. Mangilal Jain who served the Company till 31.03.2020. Mr. Pramod Kumar Shah was appointed as the independent director of the Company and as the Chairman of the Audit Committee w.e.f 01.04.2020 in place of Mr. Mangilal Jain. The meetings were held on 07th May, 2019; 31st July, 2019; 05th November, 2019 and 06th February, 2020.

The Audit Committee comprises of the following members and the details of meetings attended by the Directors are as under:

Name	Category	Designation	No. of Committee Meetings attended
Mr. Mangilal Jain #	Non-Executive Independent	Chairman	4
Mr. Pramod Kumar Shah ##	Non-Executive Independent	Chairman	-
Mr. Santanu Ray	Non-Executive Independent	Member	4
Mr. Aditya Vimalkumar Agrawal	Non-Executive, Non-independent	Member	4

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member and Chairman of the said committee w.e.f. 01.04.2020.

Audit Committee meetings are attended by the Chief Executive Officer, Chief Financial Officer of the Company and Representatives of Statutory Auditors and Internal Auditors are invitees for the relevant meetings. The Company Secretary acts as the Secretary of the Audit Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors, Key Managerial Personnel and other employees. The Chairman of the Committee is an Independent Director and the Members of the Committee are Non - Executive Directors.

**The broad terms of reference of the Committee inter alia are as follows:**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Directors
- iii. Devising a policy on Board diversity;
- iv. 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 their appointment and removal;
- v. Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- vi. To recommend all remuneration payable to Senior Management in whatever form.

#### **Remuneration Policy:**

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements.

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key

Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

The remuneration to be paid to the Executive Directors, if any, shall be recommended by the Nomination & Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration to be paid to the Executive Directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/Business Executives. Independent Non-Executive Directors are paid sitting fees for attending Board/Committee Meetings.

The appointment of the Executive Directors, if any is governed by the resolutions passed by the Board and shareholders. The service agreement is entered into with them. There is no provision for payment of severance fee under the resolutions governing appointment of Executive Directors. A notice period of three months is required to be given by the Executive Director seeking to vacate the office. The Company has no stock option plans and such option is not included in the remuneration package. During the year under review, none of the Directors was paid any bonus, pension or performance bonus. Formal appointment letter is issued to the Independent Directors and the terms and conditions of the appointment of Independent Directors is available on the web site of the Company. The Nomination & Remuneration Committee to recommend all remuneration payable to the Senior Management.

The Remuneration Policy of the Company is available on the Company's website at: [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Remuneration-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Remuneration-Policy.pdf)

#### **Composition, number of Meetings and Attendance**

The composition of the Nomination and Remuneration Committee is in accordance with the regulatory requirements specified by Section 178 of the Companies Act, 2013 and the Listing Regulations. The Company Secretary acts as Secretary to the Committee. The Remuneration Committee meetings were held on 07th May, 2019 and 06th February, 2020 during the Financial Year 2019-20.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors are as under:

Name of the Member	Category	Designation	No. of Committee Meetings Attended
Mr. Santanu Ray	Independent, Non-Executive	Chairman	2
Mr. Mangilal Jain #	Independent, Non-Executive	Member	2
Mr. Pramod Kumar Shah ##	Independent, Non-Executive	Member	–
Mr. Nagraj Tater	Non-Independent, Non-Executive	Member	1

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member of the said committee w.e.f. 01.04.2020.

#### Remuneration of Directors :

The details of remuneration paid to Directors for the Financial Year 2019-20 are provided below :

Sl. No.	Name of the Director	Designation	Salary (₹)	Sitting Fees (₹)	No. of shares held as on 31.03.2020
1	Mr. Sajjan Bhajanka	Non – Executive Director	Nil	Nil	1,12,34,493
2	Mr. Nagraj Tater	Non – Executive Director	Nil	Nil	9,000
3	Mr. Aditya Vimalkumar Agrawal	Non – Executive Director	Nil	Nil	45,00,000
4	Mr. Mangilal Jain	Independent Director	Nil	47,500	Nil
5	Mr. Santanu Ray	Independent Director	Nil	50,000	Nil
6	Mrs. Plistina Dkhar	Independent Director	Nil	5,000	750

None of the Directors of the Company/Key Managerial Personnel had any pecuniary relationship with the Company during the year.

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted "Stakeholders' Relationship Committee".

The Committee's responsibility is to oversee Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

The terms of reference of the Committee includes:

- Review the process and mechanism of redressal of investor grievance and suggest measures of improving the system of redressal of investor grievances.
- Consider and approve all requests from shareholders regarding transfer & transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split & folio consolidation etc.
- Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- To review measures for effective voting rights, adherence to service standards adopted by the Registrars & Share Transfer Agent and measures undertaken for reducing quantum of unclaimed dividend.

The Composition of the Stakeholders Relationship Committee and the details of the meeting attended by the members are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
*Mr. Santanu Ray	Non-Executive, Independent	Chairman	2
*Mr. Nagraj Tater	Non- Executive, Non – Independent	Member	2
Mr. Aditya VimalKumar Agrawal	Non-Executive, Non – Independent	Member	Nil

\* Mr. Nagraj Tater appointed as Chairman of the Committee in place of Mr. Santanu Ray w.e.f. 25th June, 2020 and Mr. Santanu Ray continues as a member of the Committee.

The Company Secretary acts as Secretary to the Committee.

#### Meetings and Attendance

During the Financial Year 2019 - 20, the Stakeholders Relationship Committee met two (2) times. The meetings were held on 24th April, 2019 and 24th December, 2019.

#### Status of Pending Complaints:

The Company has not received any Complaints during the Financial Year 2019-20. There were no complaints pending at the beginning and at the end of the Financial Year. However, during the year under review letters on various matters were received and were duly addressed.

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee (CSR) as required under section 135 of the Companies Act 2013. The Committee consists of three Directors out of which one Director is an Independent Director.

#### The terms of reference of the Committee are as follows:

- i. To formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ii. To recommend the amount of expenditure to be incurred on CSR activities

The Corporate Social Responsibility Committee comprises of the following three members and details of the meeting attended by them are given below:

Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Nagraj Tater	Non-Executive, Non - Independent	Chairman	1
Mr. Mangilal Jain #	Non-Executive, Independent	Member	1
Mr. Pramod Kumar Shah ##	Non-Executive, Independent	Member	-
Mr. Aditya Vimalkumar Agrawal	Non - Independent	Member	1

# Mr. Mangilal Jain ceased to be an independent director and director of the Company w.e.f. 31.03.2020

## Mr. Pramod Kumar Shah was appointed as an additional director in independent category and the member of the said committee w.e.f. 01.04.2020.

#### Meetings and Attendance:

The Corporate Social Responsibility Committee met once on 07th May, 2019 during the Financial Year 2019-20. All the Members of the Committee attended the meeting.

The CSR Policy of the Company is available on the Company's website at: [http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate_Social_Responsibility_Policy.pdf)

There was no instances where recommendations of the Committee not accepted by the Board of Directors.

#### FINANCE COMMITTEE

The Company has constituted a Finance Committee. The Finance Committee deals within the terms of reference defined by the Board and ensures their expeditious implementation.

#### The terms of reference of the Committee are as follows:

- i. To approve the opening of and modification in operation of bank accounts, including closure thereof.
- ii. Borrow money by way of loan for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments and take necessary actions connected therewith.
- iii. Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity.
- iv. Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options.
- v. Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time.
- vi. Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet.
- vii. Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority.
- viii. Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board.

The Finance Committee comprises of the following three members and details of the meeting attended by them are given below:



Name of the Member	Category	Designation	No. of Committee Meetings attended
Mr. Sajjan Bhajanka	Non - Executive, Non-Independent	Chairman	5
Mr. Nagraj Tater	Non - Executive, Non-Independent	Member	5
Mr. Aditya Vimal kumar Agrawal	Non - Executive, Non-Independent	Member	1

### Meetings and Attendance

The Finance Committee meetings were held on 07th May, 2019; 22nd May, 2019; 10th December, 2019; 20th January, 2020 and 20th March, 2020 during the Financial Year 2019-20 and attendance of members are given herein above.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy, leakage of unpublished price sensitive information etc., The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

### GENERAL BODY MEETINGS:

#### Particulars of last three Annual General Meetings:

Financial Year	Venue	Date and time
2018-19	'Star Club', Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	27th September, 2019 at 4.00 p.m.
2017-18	'Star Club', Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	31st July, 2018 at 4.00 p.m.
2016-17	'Star Club', Village: Lumshnong, P.O. Khaliehriat, Dist.: East Jaintia Hills, Meghalaya-793 210	11th September, 2017 at 4.00 p.m.

#### Details of Special Resolution passed in the last three Annual General Meeting:

AGM	Date	Matter
6th	11.09.2017	Adoption of New Set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
7th	31.07.2018	NIL

8th	27.09.2019	1. Re-appointment of Mr. Santanu Ray as an Independent Director 2. Re-appointment of Mrs. Plistina Dkhar as an Independent Director
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Details of Special Resolution proposed to be conducted through Postal Ballot and procedure:

None of the businesses proposed to be transacted requires passing of a special resolution through postal ballot.

No Extra-Ordinary General meeting of the Shareholders was held during the year.

### DISCLOSURES:

- No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions as per requirements of Accounting Standard 18 have been reported in Notes to Accounts annexed to the financial statements. The policy on related party transaction has been placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Related\\_Party\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/10/Related_Party_Policy.pdf)
- There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- There has been no instance where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required in the relevant financial year.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimization procedures. The risk policy provides for identification of risk, its assessments and procedures to minimize risk. The risk management policy is reviewed periodically to ensure that the executive management controls the risk as per decided policy.
- The Company's policy on Vigil mechanism is placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2020/06/SCFL\\_Whistle-Blower-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2020/06/SCFL_Whistle-Blower-Policy.pdf). We hereby affirm that no personnel have been denied access to the Audit Committee.
- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards stipulated under the Companies Act.

- During the year under review, the Company has not raised any money through public issue.
- During the year under review no instances of sexual harassment reported.
- The Company's policy on "material subsidiary" is placed on the Company's website at [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Policy-on-Material-subsiary.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Policy-on-Material-subsiary.pdf).
- A Certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of your Company 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 Statutory Authority forms part of this Annual Report.
- Total consolidated fees paid for all services rendered by the Statutory Auditors to the Company during the year under review was ₹ 3.61 Lakhs.
- The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:
  - a) Non-Executive Chairman's Office: The Company does not have regular Non – Executive chairperson.
  - b) Shareholders' Rights: As the quarterly, half yearly and annual results of the Company along with significant events, if any, are published in the newspapers and also posted on the Company's website, the same are not being sent individually to the shareholders.
  - c) Modified Opinion in Audit Report: The Company's financial statement for the year ended 31st March, 2020 does not contain any modified audit opinion.
  - d) Separate posts of Chairman and CEO: The positions of Chairman and Chief Executive Officer (CEO) are separate.
  - e) Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.
- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 of the LODR.

#### CREDIT RATINGS

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. CARE Ratings, has revised the Company's short term rating to "CARE A3+" (pronounced CARE A three plus, outlook stable) from "CARE A2+" (pronounced CARE A two plus, outlook stable) and revised the long term rating to "CARE BBB+, Stable" (pronounced as CARE Triple B Plus; Outlook: Stable) from "CARE A-, Stable" (pronounced CARE Single A minus, outlook stable).

#### CODE OF CONDUCT

In pursuance of the SEBI Regulations, the Board has approved the 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com). The Directors and Senior Management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Chief Executive Officer to this effect is also attached to this Report.

#### MEANS OF COMMUNICATION

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results, in the prescribed format, as per SEBI Regulations, are published in prominent English and Khasi (Regional language) newspapers usually in 'The Business Standard' and 'Hima'. The quarterly financial results and official news are also posted on the website of the Company - [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com).

The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting. The Annual Report of the Company, the quarterly / half yearly and the annual results of the Company are also placed on the Company's website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and can be downloaded.

All periodical compliance filings like shareholding pattern, corporate governance report, investor presentations, media releases, among others are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE's Listing Centre which are web-based applications designed by NSE and BSE respectively for corporates and are displayed on the Company's website.

The Company has designated the following email id exclusively for investor serving: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

#### MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, forms a part of the Directors' Report.

#### GENERAL SHAREHOLDER INFORMATION

##### Annual General Meeting

Date and Time	29th September, 2020 at 4.00 P.M
Venue	Annual General Meeting be conducted through Video Conferencing / other Audio Visual means facility. [Deemed venue of Meeting at Registered office at Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210]
Dates of Book Closure	23rd September, 2020 to 29th September, 2020 (both days inclusive)

### Financial Calendar (for the year 2020-21)

The Company follows financial year starting from 1st of April of the financial year and ending on 31st March of the following year.

#### Proposed date for approval of financial results

First Quarter ended 30th June, 2020	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2020	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2020	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2021	Within 60 days from the end of quarter

#### Listing on Stock Exchanges

The Shares of the Company are presently listed on the following Stock Exchanges:-

- a) National Stock Exchange of India Ltd (NSE)  
Exchange Plaza, Bandra –Kurla Complex, Bandra (E)  
Mumbai- 400 051  
Stock Code - SHYAMCENT

- b) BSE Ltd. (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
Stock Code - 539252

#### The Company has paid listing fees to NSE and BSE for the year 2020 – 21.

Annual Custody/Issuer fee for the year 2019-20 has been paid by the Company to NSDL and CDSL. Bills for the year 2020-21 has been received and paid by the Company to NSDL but Bill from CDSL for the year 2020-21 is yet to be received.

#### ISIN Allotted to the Company by the Depositories

The Company has signed Depository agreement with both National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN allotted to the Company is INE979R01011.

Corporate Identity Number (CIN)  
L27310ML2011PLC008578

#### Market Information

Market Price Data: High, Low (based on the closing prices) and volume of shares traded at BSE and NSE, for the financial year 2019-20 are as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 2019	6.75	5.43	47,639	7.00	5.40	5,73,569
May 2019	6.50	5.00	86,654	6.95	5.05	3,58,438
June 2019	5.75	4.55	48,408	5.80	4.40	89,01,439
July 2019	5.00	3.32	2,32,675	5.05	3.10	3,14,22,062
August 2019	3.10	2.32	1,59,183	3.35	2.15	9,06,546
September 2019	3.15	2.63	61,900	3.05	2.65	3,93,173
October 2019	3.00	2.38	31,905	3.00	2.25	2,46,096
November 2019	3.17	2.51	39,984	3.15	2.65	5,36,768
December 2019	3.30	2.65	87,551	3.30	2.50	4,62,759
January 2020	4.55	2.86	44,968	4.60	2.90	4,31,730
February 2020	3.53	2.50	99,960	3.35	2.55	2,60,805
March 2020	2.50	1.77	1,72,138	2.65	1.80	1,58,028

Performance of the Shares of the Company in comparison to BSE Sensex is as under

Month	BSE Sensex		Company's Share	
	Closing	% Change	Closing	% Change
April 2019	39,031.55	0.93	6.55	4.13
May 2019	39,714.20	1.75	5.73	(12.52)
June 2019	39,394.64	(0.80)	4.90	(14.49)
July 2019	37,481.12	(4.86)	3.35	(31.63)
August 2019	37,332.79	(0.40)	2.86	(14.63)
September 2019	38,667.33	3.57	3.15	10.14
October 2019	40,129.05	3.78	2.57	(18.41)
November 2019	40,793.81	1.66	3.05	18.68
December 2019	41,253.74	1.13	2.85	(6.56)
January 2020	40,723.49	(1.29)	3.43	20.35
February 2020	38,297.29	(5.96)	2.50	(27.11)
March 2020	29,468.49	(23.05)	1.77	(29.20)

#### Registrars and Share Transfer Agents

M/s Maheshwari Datamatics Private Limited  
23, R. N. Mukherjee Road,  
5th floor, Kolkata- 700001  
Phone: 033 22435029/22482248  
Fax - 033 22484787  
Email - mdpldc@yahoo.com

#### Share Transfer System

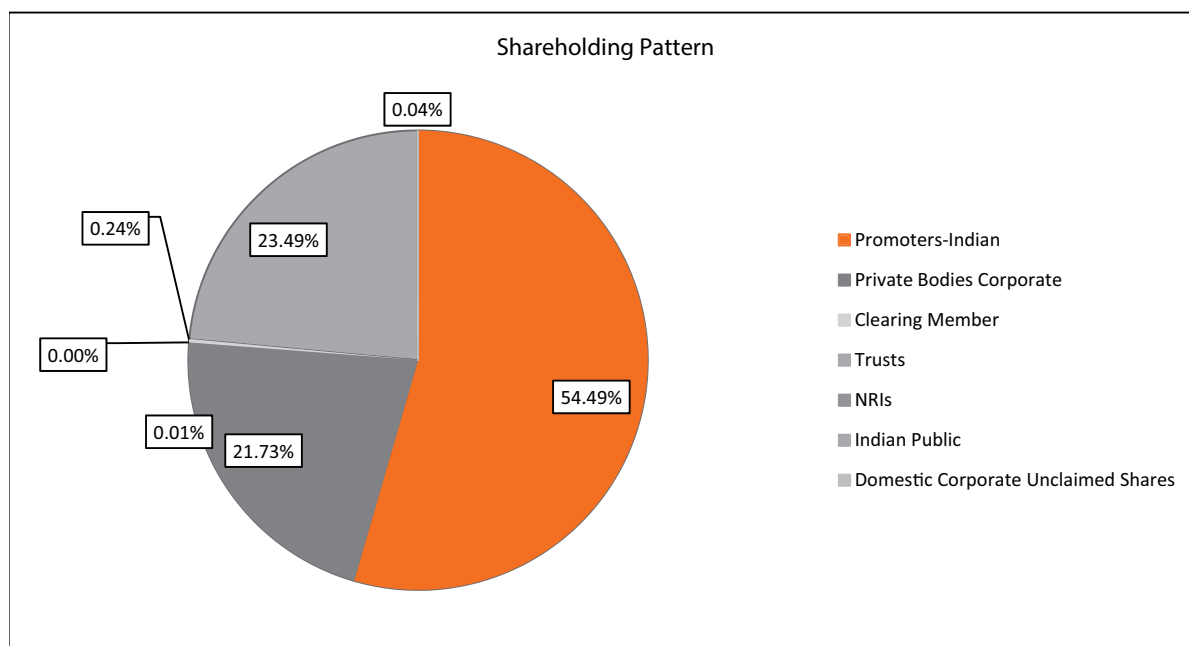
Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfers are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

Transfer of Shares in dematerialized form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done within a period of 15 days from the date of lodgment of Dematerialisation request, complete in all respect, with the Depository Participant of the Shareholder.

#### Distribution of Shareholding of Ordinary Shares as on 31st March, 2020

Shareholding	Total No. of Shareholders	%	No. of Shares	%
1- 500	6,915	65.94	8,39,582	0.38
501-1000	1,062	10.13	9,48,439	0.43
1001-5000	1,656	15.79	43,52,367	1.96
5001-10000	402	3.83	31,09,078	1.40
10001- 20000	235	2.24	34,45,651	1.55
20001 and above	217	2.07	20,94,77,873	94.28
<b>Total</b>	<b>10,487</b>	<b>100</b>	<b>22,21,72,990</b>	<b>100</b>

## Shareholding Pattern as on 31st March, 2020



Category	Number of Shareholders*	Number of Shares	% of total Share Capital
Promoter and Promoter Group	22	12,10,53,155	54.49
Bodies Corporate	195	4,82,67,756	21.73
Trests	5	7,500	0.00
Clearing Member	13	23,901	0.01
NRIs	144	5,39,932	0.24
Individual	9,796	5,21,87,166	23.49
Domestic Corporate Unclaimed Shares	1	93,580	0.04
<b>TOTAL</b>	<b>10,176</b>	<b>22,21,72,990</b>	<b>100.00</b>

\*Note: In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19.12.2017 shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder have been consolidated on the basis of the PAN and folio number.

### Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

22,16,49,603 Ordinary Shares of the Company representing 99.76% of the Company's share capital are dematerialised as on 31st March, 2020.

The Company has never issued any GDR/ADR/ warrants or any convertible instruments.

### RECONCILIATION OF SHARE CAPITAL AUDIT:

- Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- A Practicing Company Secretary carries out the reconciliation of Share Capital of the Company for every Quarter to reconcile the total capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited (' Depositories') and the total issued and listed capital of the Company. The Audit confirms that the total issued /paid up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form.

## DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES SUSPENSE ACCOUNT

Details as required under Schedule V of the Listing Regulations in respect of unclaimed shares transferred to the demat account "Shyam Century Ferrous Limited –Unclaimed Suspense Account" is as follows:

Particulars	No. of shareholders	No. of shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 01.04.2019	52	93,580
Aggregate number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account	NIL	NIL
Number of shareholders to whom shares were transferred from Suspense Account during the year	NIL	NIL
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31.03.2020	52	93,580

Voting rights in respect of the aforesaid shares held in Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholders/legal heirs

## COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodities form a major part of the raw materials required for Company's products and hence, commodity price risk is one of the important market risk for the Company. The Company has mechanism to ensure that the organization is protected from market volatility in terms of price and availability of raw materials and prefers long term arrangement with the suppliers. The Company does not hedge its exposure to commodity price risks.

The Company also does not hedge foreign exchange risks.

### Plant location:

Ferro Alloy & Power Plant, EPIP, Rajabagan, Byrnihat, District-Ri-Bhoi, Meghalaya - 793101

### Address for Correspondence:

- Corporate Office:  
The Compliance Officer,  
Shyam Century Ferrous Limited,  
Satyam Tower, 3 Alipore Road, Kolkata-700 027  
Phone: 033 22435029, Fax: 033 22484787  
Email: investors@shyamcenturyferrous.com  
Website: www.shyamcenturyferrous.com
- Registered Office: Village: Lumshnong, P.O. Khaliehriat, Dist. East Jaintia Hills, Meghalaya – 793210.

For and on behalf of the Board

Place: Kolkata  
Date: 25th June, 2020

Nagraj Tater  
Director  
(DIN:00266072)

Aditya Vimalkumar Agrawal  
Director  
(DIN: 03330313)

## Auditors' Certificate on Corporate Governance

To  
The Members of  
**Shyam Century Ferrous Limited**  
Vill:-Lumshnong, P.O. Khaliehriat,  
Dist. East Jaintia Hills,  
Meghalaya - 793 210

We have examined the compliance of conditions of the Corporate Governance by Shyam Century Ferrous Limited ("the Company") for the year ended on 31st March, 2020, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clauses and/or regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 M/s. AKSD & Associates**  
(Formerly, Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

Place: Kolkata  
Date: 25th June, 2020  
UDIN: 20057329AAAAAU6721

**CA. Arun Kumar Sharma**  
Partner  
Membership No. 057329

## CERTIFICATE BY CHIEF FINANCIAL OFFICER (CFO)

To,  
The Board of Directors  
**Shyam Century Ferrous Limited**

I the undersigned, in my respective capacity as Chief Financial Officer of Shyam Century Ferrous Limited ("the Company"), to the best of my knowledge and belief certify that:

- A. I have reviewed the financial statements and the cash flow statement for the Financial year ended 31st March, 2020 and based on my knowledge and belief, I state that:
- (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 Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, has been disclosed to the Auditors and the Audit Committee and steps has been taken to rectify these deficiencies.
- D. I have indicated, based on my most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
  - (2) significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer



**CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF SHYAM CENTURY FERROUS LIMITED HAVE BEEN DEBARRED OR DISQUALIFIED**

To

The Members,

**SHYAM CENTURY FERROUS LIMITED**

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s SHYAM CENTURY FERROUS LIMITED, having its Registered office at Vill.: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210, the information provided by the Company, its officers, agents and authorized representatives and based on the verification of the Ministry of Corporate Affairs website, we hereby report that during the Financial Year ended on March 31, 2020, in our opinion, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory authority.

**For MKB & Associates**  
Company Secretaries

**Raj Kumar Banthia**  
(Partner)

ACS no. 17190

COP no. 18428

FRN: P2010WB042700

Date: 25.06.2020

Place: Kolkata

UDIN: A017190B000380278

## Independent Auditors' Report

To the Members of  
Shyam Century Ferrous Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Shyam Century Ferrous Limited** (the "Company"), which comprise the Standalone Balance Sheet as at 31st March, 2020, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and the financial performance and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent

of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw your attention to Note No. 49 to the standalone financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances/development as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matters	Auditor's Response
1	<p><b>Revenue Recognition</b></p> <p>(Refer Note No. 28 to the standalone financial statements and Note No. 1.3 (A) of the significant accounting policies of Standalone Financial Statements).</p> <p>Revenue is recognised when the control of the products has transferred and dispatched to customer. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</p> <p>Revenue is recognised based on the price and as per terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.</p> <p>There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue and hence this was determined to be a key audit matter.</p>	<p><b>Our audit procedures to assess the appropriateness of revenue recognized included:</b></p> <ul style="list-style-type: none"> <li>Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>Obtaining and inspecting, on a sample basis, individual sales transaction and traced to sales invoices, sales order and other related documents as well as credit notes issued after the year end to determine whether these were recorded appropriately.</li> <li>Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period.</li> </ul> <p>Our testing as described above showed that revenue has been recorded in accordance with the terms of applicable contracts and accounting policy in this area.</p>

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

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

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

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

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

### Management's Responsibility for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from

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

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

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

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

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

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

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

#### Other Matter

Due to COVID-19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., the audit team has performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us. Further, our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Consideration for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Financial Statements.

Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure 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) Without prejudice to the situation described under "Other matter" section, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

#### For A K S D & Associates

(Formerly Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

#### CA Arun Kumar Sharma

Partner

Place: Kolkata  
Date: 25th June, 2020

Membership No. 057329  
UDIN: 20057329AAAAAX7793

## Annexure - A to the Independent Auditors' Report of even date on the Standalone Financial Statements of Shyam Century Ferrous Limited

The Annexure referred to in Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended 31st March, 2020, we report that:

- (i) In respect of Company's fixed assets :
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The fixed assets of the Company are physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods in transit and materials lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were observed.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. So the provision of clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loan and investments made.
- (v) The Company has not accepted any deposits within the

meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.  
According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, the details of disputed amount of Excise Duty, Cess and Royalty, VAT/GST/MEPRF on Coal not deposited by the Company are given below:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
MMDR, GST & VAT Act	Royalty, MEPRF, GST/VAT	1,738.99	2014-15 to 2018-19	Director of Mineral Resources, Meghalaya

- (viii) The Company has not defaulted in repayment of loans or borrowings from financial institutions or banks. The Company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer/further public offer/debt instruments/term loans. Accordingly, the provisions of Clause 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, 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 notes to the standalone financial statements, as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment/private placements of shares/fully/partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or person connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provision of clause 3(xvi) are not applicable to the Company.

### For A K S D & Associates

(Formerly Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

### CA Arun Kumar Sharma

Partner

Place: Kolkata  
Date: 25th June, 2020

Membership No. 057329  
UDIN: 20057329AAAAAX7793

## Annexure - B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Shyam Century Ferrous Limited

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

We have audited the internal financial controls over financial reporting of SHYAM CENTURY FERROUS LIMITED ("the Company") as at March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### For A K S D & Associates

(Formerly Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

### CA Arun Kumar Sharma

Partner

Place: Kolkata

Date: 25th June, 2020

Membership No. 057329

UDIN: 20057329AAAAAX7793

## Standalone Balance Sheet as at 31st March, 2020

(₹ in Lakhs)

Particulars	Notes	31 March, 2020	31 March, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	1,733.71	1,993.39
(b) Right-of-use assets		44.30	-
(c) Intangible assets	4	0.84	0.24
(d) Investment	5	3,373.50	3,373.50
(e) Financial assets			
(i) Loans	6	56.21	55.71
(ii) Other financial assets	7	49.25	47.75
(f) Non-current tax asset (net)	8	97.67	210.34
(g) Other non-current assets	9	877.33	877.33
<b>Total non-current assets</b>		<b>6,232.81</b>	<b>6,558.26</b>
<b>(2) Current assets</b>			
(a) Inventories	10	1,667.43	1,766.17
(b) Financial assets			
(i) Trade receivables	11	3,844.12	2,791.67
(ii) Cash and cash equivalents	12	158.82	984.84
(iii) Loans	13	134.18	-
(iv) Other financial assets	14	331.16	305.64
(c) Other current assets	15	749.14	701.14
<b>Total current assets</b>		<b>6,884.85</b>	<b>6,549.46</b>
<b>Total assets</b>		<b>13,117.66</b>	<b>13,107.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	2,221.73	2,221.73
(b) Other equity	17	9,298.23	9,295.84
<b>Total equity</b>		<b>11,519.96</b>	<b>11,517.57</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	117.00	190.54
(ii) Lease Liability	19	43.31	-
(b) Deferred tax liabilities (net)	20	83.97	68.49
(c) Employee benefit obligations	21	47.96	57.31
<b>Total non-current liabilities</b>		<b>292.24</b>	<b>316.34</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	4.85	81.31
(ii) Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		68.71	189.38
(iii) Other financial liabilities (including lease liability)	24	1,057.70	546.76
(b) Other current liabilities	25	154.54	275.88
(c) Employee benefit obligations	26	19.66	25.03
(d) Current tax liabilities (net)	27	-	155.45
<b>Total current liabilities</b>		<b>1,305.46</b>	<b>1,273.81</b>
<b>Total liabilities</b>		<b>1,597.70</b>	<b>1,590.15</b>
<b>Total equity and liabilities</b>		<b>13,117.66</b>	<b>13,107.72</b>
<b>Summary of Significant accounting policies</b>	1&2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

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

(₹ in Lakhs)

Particulars	Notes	31 March, 2020	31 March, 2019
<b>Income</b>			
Revenue from operations	28	8,725.48	13,331.43
Other income	29	188.45	112.35
<b>Total income</b>		<b>8,913.93</b>	<b>13,443.78</b>
<b>Expenses</b>			
Cost of materials consumed	30	2,916.40	4,304.07
(Increase)/Decrease in Inventories	31	307.69	(475.56)
Employee benefit expense	32	478.52	648.44
Finance costs	33	40.14	129.51
Depreciation and amortisation expense	34	229.08	276.21
Other expenses	35	4,954.18	7,081.73
<b>Total expenses</b>		<b>8,926.01</b>	<b>11,964.40</b>
<b>Profit before tax</b>		<b>(12.08)</b>	<b>1,479.38</b>
Income tax expense			
- Current tax	36	3.20	438.53
- Deferred tax		13.53	(7.16)
- Income Tax for earlier years		(25.39)	-
<b>Total tax expense</b>		<b>(8.66)</b>	<b>431.37</b>
<b>Profit for the year</b>		<b>(3.42)</b>	<b>1,048.01</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	38	7.77	(7.36)
Income tax relating to these items		(1.96)	2.14
<b>Other comprehensive income for the year, net of tax</b>		<b>5.82</b>	<b>(5.22)</b>
<b>Total comprehensive income for the year</b>		<b>2.40</b>	<b>1,042.79</b>
<b>Earnings per equity share:</b>			
Basic earnings per share (₹ per Share)	37	(0.00)	0.47
Diluted earnings per share (₹ per Share)		(0.00)	0.47
Summary of Significant accounting policies	1&2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313



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

### A. Equity share capital:

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2018	2,221.73
Changes in equity share capital	-
As at 31st March, 2019	2,221.73
Changes in equity share capital	-
As at 31st March, 2020	2,221.73

### B. Other equity:

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2018	6,087.78	2,165.27	8,253.05
Profit for the year (a)	-	1,048.01	1,048.01
Other comprehensive income/(loss) for the year (b)	-	(5.22)	(5.22)
Total comprehensive income for the year (a + b)	-	1,042.79	1,042.79
Balance as at 31st March, 2019	6,087.78	3,208.06	9,295.84

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2019	6,087.78	3,208.06	9,295.84
Profit for the year (a)	-	(3.42)	(3.42)
Other comprehensive income/(loss) for the year (b)	-	5.82	5.82
Total comprehensive income for the year (a + b)	-	2.40	2.40
Balance as at 31st March, 2020	6,087.78	3,210.45	9,298.23

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

Place : Kolkata  
Date : 25th June, 2020

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Standalone Statement of Cash Flow for the year ended 31st March, 2020

(₹ in Lakhs)

Sl. No.	Particulars	31 March, 2020	31 March, 2019
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before Tax	(12.08)	1,479.38
	<b>Adjustments for:</b>		
	Depreciation/Amortisation	229.08	276.21
	(Profit)/Loss on sale of property, plant and equipment	(3.69)	(10.48)
	Finance Cost	40.14	129.51
	Interest and Other Income	(184.75)	101.88
	<b>Operating Profit before Working Capital changes</b>	<b>68.70</b>	<b>1,976.50</b>
	<b>Adjustments for:</b>		
	(Increase)/Decrease in Trade receivables	(1,052.45)	512.68
	(Increase)/Decrease in Inventories	98.75	995.58
	(Increase)/Decrease in Other receivables	(208.21)	(272.70)
	(Increase)/Decrease in Other assets	151.87	612.62
	Increase/(Decrease) in Other liabilities	270.50	(444.56)
	Increase/(Decrease) in Trade payables	(120.67)	(401.96)
	<b>Cash Generated from Operations</b>	<b>(791.51)</b>	<b>2,978.16</b>
	Income Tax Paid	(16.53)	(524.17)
	<b>Net Cash generated from Operating Activities</b>	<b>(808.04)</b>	<b>2,453.99</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	(Purchase)/Sale of Property, Plant & Equipment	(76.01)	(57.83)
	Sale of Fixed Assets	65.39	15.70
	Interest Received	182.79	(101.88)
	<b>Net Cash from Investing Activities</b>	<b>172.17</b>	<b>(144.01)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Increase/ (Decrease) in Short Term Borrowings	(76.46)	(1,300.39)
	Repayment of Long Term Borrowings	(73.54)	(63.18)
	Payment of Lease Liability	(4.36)	-
	Interest Paid	(35.79)	(129.51)
	<b>Net Cash used in Financing Activities</b>	<b>(190.15)</b>	<b>(1,493.08)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(826.02)</b>	<b>816.90</b>
	<b>Opening Cash and Cash Equivalents</b>	<b>984.84</b>	<b>167.94</b>
	<b>Closing Cash and Cash Equivalents</b>	<b>158.82</b>	<b>984.84</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
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**Kamlesh Pathak**  
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For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

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

### Corporate Information

Shyam Century Ferrous Limited (the Company) is a public company domiciled in India and incorporated on 12.04.2011 under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. The company is selling its product across India.

### 1. Accounting Policies

#### 1.1 Basis of Preparation

##### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The Company has adopted all the applicable Ind AS standards effective 1st April, 2017 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

##### (ii) Historical Cost Convention

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

- defined benefit plans – plan assets measured at fair value
- certain financial assets that are measured at fair value

##### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

#### 1.2 Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 1.3 (A) Revenue Recognition

Sales are recognised when control of the products has transferred, domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export/bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price and as per terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### (B) Other Income

Interest income is recognised using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

## Notes to Standalone Financial Statements (contd.)

### 1.4 Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of any recoverable amount, wherever applicable) less accumulated depreciation, amortization and impairment losses if any, except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to working condition for its intended use.

#### Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and includes any directly attributable cost incurred during construction period.

#### Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing cost, prior to commencement of commercial production are capitalized.

#### Depreciation

Depreciation on property, plant and equipment is provided on written down value method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof'. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. Useful lives, components and residual amounts are reviewed annually.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### 1.5 Inventories

Raw Materials and stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity.

Cost of Inventories excluding finished goods and work-in-progress is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 1.6 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 1.7 Investments and other financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

#### Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The company classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

## Notes to Standalone Financial Statements (contd.)

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL) :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

### Equity instruments

The company subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However where the company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

### Impairment of financial assets

The company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset.

## 1.8 Financial liabilities

### Initial recognition and measurement

The company recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

### Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

### De-recognition of financial liabilities

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

## 1.9 Government Grants and subsidies

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants, if any granted by way of recoupment / reimbursement of any item of expenditure are recognized in the Statement of Profit and Loss by way of deduction from related item of expenses. Grants related to assets which are recognized in the Statement of Financial Position as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

## 1.10 Employee benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

## Notes to Standalone Financial Statements (contd.)

### (ii) Defined Contribution Plan

Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

### (iii) Defined Benefit Plan

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

### (iv) Other Long-term benefits

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.

## 1.11 Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

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

## 1.12 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

## 1.13 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 1.14 Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

## Notes to Standalone Financial Statements (contd.)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The deferred tax in respect of temporary differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

### 1.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 1.16 Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

### 1.17 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

### 1.18 Foreign Currency Transactions and Balances

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian National Rupee (INR), which is Shyam Century Ferrous Limited's functional and presentation currency.

Transactions in foreign currencies entered into by the Company are accounted at the exchanges rates prevailing on the date of the transactions. Exchange differences arising on settlement /restatement of short-term foreign currency monetary assets and liabilities of the company are recognized as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

### 1.19 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### 1.20 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount.

## Notes to Standalone Financial Statements (contd.)

The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

### 1.21 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### 1.22 Intangible Asset

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

### 1.23 Lease

#### As a Lessee:

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

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

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

#### As a Lessor:

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

### 1.24 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit and Loss and capital expenditure is added to the cost of property, plant and equipment in the year in which they are incurred.

### 1.25 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



## Notes to Standalone Financial Statements (contd.)

### Note 2 : Disclosure on Transition :

#### Adoption of a new accounting standard on Leases Ind AS 116

The Company has adopted Ind AS 116 'Leases' with effect from April 1, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019 using modified retrospective method. Accordingly, the comparatives have not been retrospectively adjusted.

On transition, the adoption of this standard resulted in recognition of Right of Use Asset of ₹ 48.32 Lakhs and lease liability of ₹ 48.32 Lakhs as at 1st April, 2019. At the year end the cumulative impact of applying this standard resulted in decrease in profit of ₹ 1.63 Lakhs, the result of which did not have any material impact on the profit before tax, profit for the year and earning per share for the year ended 31st March, 2020.

Ind AS 116 will result in an increase in cash inflows from operating activities and an decrease in cash outflows from financing activities on account of lease payments. The lease liabilities were discounted using the incremental borrowing rate of the company as at 1st April, 2019. The Weighted Average incremental borrowing rate applied to lease liability as at 1st April, 2019 is 9.00%

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. In statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous year to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability.

In the context of initial application, the company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

Following are the changes in the carrying value of right of use assets for the year ended 31st March, 2020:

Particulars	(₹ in Lakhs)
	Amount
Balance as at April 1, 2019	-
Recognition on account of adoption of Ind AS 116	48.32
Additions	-
Depreciation	4.03
Balance as at March 31, 2020	44.30

The depreciation expense of ₹ 4.03 Lakhs on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended 31st March, 2020 :

Particulars	(₹ in Lakhs)
	Amount
Balance as at April 1, 2019	-
Recognition on account of adoption of Ind AS 116	48.32
Interest expense during the period	4.35
Payment of lease liabilities	6.75
Balance as at March 31, 2020	45.93

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

## Notes to Standalone Financial Statements (contd.)

### Note: 3 - Property, plant and equipment

(₹ in Lakhs)

Particulars	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
<b>Gross block</b>										
As at 1st April 2018	86.17	397.41	195.06	1,392.14	145.30	3.75	2.85	2.66	453.71	2,679.05
Addition	-	-	-	1.93	-	-	-	-	56.08	58.01
Disposals/Deduction/Disposal	-	-	-	-	-	0.06	0.02	0.09	5.22	5.39
As at 31st March 2019	86.17	397.41	195.06	1,394.07	145.30	3.69	2.83	2.57	504.57	2,731.67
Addition	-	-	-	-	16.58	-	-	-	-	16.58
Disposals/Deduction/Disposal	-	-	-	69.41	-	-	0.68	-	15.80	85.90
As at 31st March 2020	86.17	397.41	195.06	1,324.66	161.88	3.69	2.15	2.57	488.77	2,662.35
<b>Depreciation</b>										
As at 1st April 2018	-	70.99	19.94	227.07	47.30	1.30	1.54	1.31	92.91	462.36
Charge for the year	-	30.59	8.38	105.78	15.80	0.29	0.37	0.19	114.52	275.92
Disposals/Deduction/Disposal	-	-	-	-	-	-	-	-	-	-
As at 31st March 2019	-	101.58	28.32	332.85	63.10	1.59	1.91	1.50	207.43	738.28
Charge for the year	-	27.72	7.97	86.32	12.97	0.16	0.16	0.05	89.17	224.52
Disposals/Deduction/Disposal	-	-	-	22.04	-	-	0.54	-	11.58	34.16
As at 31st March 2020	-	129.30	36.29	397.13	76.07	1.75	1.53	1.55	285.02	928.64
<b>Net Block</b>										
As at 31st March 2019	86.17	295.83	166.74	1,061.22	82.20	2.10	0.92	1.07	297.14	1,993.39
As at 31st March 2020	86.17	268.11	158.77	927.52	85.81	1.94	0.62	1.02	203.75	1,733.71

## Notes to Standalone Financial Statements (contd.)

### Note: 4 - Intangible assets

(₹ in Lakhs)

Particulars	Computer Software
<b>Gross block</b>	
As at 1st April 2018	2.53
Addition	-
Disposals/Deduction/Disposal	-
<b>As at 31st March 2019</b>	<b>2.53</b>
Addition	1.13
Disposals/Deduction/Disposal	-
<b>As at 31st March 2020</b>	<b>3.66</b>
<b>Depreciation</b>	
As at 1st April 2018	2.00
Charge for the year	0.29
Disposals/Deduction/Disposal	-
<b>As at 31st March 2019</b>	<b>2.29</b>
Charge for the year	0.53
Disposals/Deduction/Disposal	-
<b>As at 31st March 2020</b>	<b>2.82</b>
<b>Net Block</b>	
As at 31st March 2019	0.24
As at 31st March 2020	0.84

During the year, the Company has discarded fixed assets amounting to ₹ 2.98 Lakhs (as at 31st March'19 ₹ 5.65 Lakhs) and sold fixed assets amounting to ₹ 203.67 Lakhs (as at 31st March'19 ₹ 88.04 Lakhs)

### Note: 5 - Investment

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unquoted equity instrument		
Meghalaya Power Limited		
83,58,998 (83,58,998 as at 31st March 2019) equity shares of ₹ 10 each fully paid up	3,373.50	3,373.50
<b>Total</b>	<b>3,373.50</b>	<b>3,373.50</b>

### Note: 6 - Financial assets - Loans - non current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered Good		
Security Deposits	56.21	55.71
<b>Total</b>	<b>56.21</b>	<b>55.71</b>

### Note: 7 - Other financial assets - non current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advances for services & expenses recoverable	49.25	47.75
<b>Total</b>	<b>49.25</b>	<b>47.75</b>

### Note: 8 - Non-current tax asset (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advance income tax (net of provision for taxation of ₹ 3.20 Lakhs as at 31st March 2020 and ₹ 1,524.34 Lakhs as at 31st March 2019)	97.67	210.34
<b>Total</b>	<b>97.67</b>	<b>210.34</b>

### Note: 9 - Other non-current assets

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Subsidies/ incentives receivable from central/ state government	876.63	876.63
Deposit with statutory/Government authorities	0.70	0.70
<b>Total</b>	<b>877.33</b>	<b>877.33</b>

## Notes to Standalone Financial Statements (contd.)

### Note: 10 - Inventories

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Raw materials	993.58	761.39
Finished goods	284.27	591.96
Fuels, packing materials, etc.	18.13	20.60
Stores & spare parts	371.45	392.22
<b>Total</b>	<b>1,667.43</b>	<b>1,766.17</b>

### Note: 11 - Trade receivables

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered good	3,844.12	2,791.67
<b>Total</b>	<b>3,844.12</b>	<b>2,791.67</b>

### Note: 12 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Cash in hand	2.45	2.88
Cheques in hand	9.51	3.93
Balance with banks:		
- In current accounts	11.90	177.35
Fixed Deposit with Bank	134.96	800.68
<b>Total</b>	<b>158.82</b>	<b>984.84</b>

### Note: 13 - Loans - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered good		
Loan	134.18	-
<b>Total</b>	<b>134.18</b>	<b>-</b>

### Note: 14 - Other financial assets - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advance given to suppliers recoverable	19.55	19.55
Less : Allowances for doubtful advance	-	(8.00)
Advances for services & expenses recoverable	311.61	294.09
<b>Total</b>	<b>331.16</b>	<b>305.64</b>

### Note: 15 - Other current assets

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advances to suppliers	4.56	1.00
Advances for services & expenses	4.52	21.99
Advance to employee	0.48	0.58
Prepaid Expenses	8.19	9.86
Subsidies/ incentives receivable from central/ state government	704.18	603.03
Balances with/ Receivable from Statutory/ Government Authorities	27.21	64.68
<b>Total</b>	<b>749.14</b>	<b>701.14</b>

## Notes to Standalone Financial Statements (contd.)

### Note: 16 - Equity share capital

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Authorised</b>		
22,27,00,000 (22,27,00,000 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,227.00	2,227.00
	<b>2,227.00</b>	<b>2,227.00</b>
<b>Issued</b>		
22,21,72,990 (22,21,72,990 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>
<b>Subscribed and paid up</b>		
22,21,72,990 (22,21,72,990 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>

#### Terms/Rights attached to the Equity Shares & Notes

The company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March, 2020	31 March, 2019
	No. of shares	No. of shares
At the beginning of the year	222,172,990	222,172,990
Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>222,172,990</b>	<b>222,172,990</b>

#### Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015 with effect from 1st April, 2014 being the appointed date, the company had issued and allotted 22,21,72,990 Equity Shares to the shareholders of SFCL in ratio of 1 (one) Equity share of ₹ 1/- each of the Company as fully paid-up for every 1 (one) Equity Share of ₹ 1/- each held by them in SFCL.

#### Details of Shareholders holding more than 5% shares in the company

Particulars	31 March, 2020	31 March, 2019
	No. of Shares % holding	No. of Shares % holding
Equity Shares of ₹ 1/- each fully paid-up		
Smt Santosh Bhajanka	15049500 6.77%	15049500 6.77%
Shri Sanjay Agarwal	14212976 6.40%	14212976 6.40%
Smt Divya Agarwal	14488750 6.52%	14488750 6.52%
Shri Sajjan Bhajanka	11234493 5.06%	11234493 5.06%
Shri Brij Bhushan Agarwal	- -	22846012 10.28%
Shri Anurag Chowdhary	11196575 5.04%	11196575 5.04%
Subham Buildwell Pvt. Ltd.	30885630 13.90%	- -
Brijdham Merchants Pvt. Ltd.	18231990 8.21%	- -

## Notes to Standalone Financial Statements (contd.)

### Note: 17 - Other equity

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Capital reserves	6,087.78	6,087.78
Retained earnings	3,210.45	3,208.06
<b>Total</b>	<b>9,298.23</b>	<b>9,295.84</b>

#### (i) Capital reserves

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Opening balance	6,087.78	6,087.78
Addition/(Deduction) during the year		
<b>Closing balance</b>	<b>6,087.78</b>	<b>6,087.78</b>

The Company had acquired this capital reserve during amalgamation/acquisition in the prior years.

#### (ii) Retained earnings

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Opening balance	3,208.06	2,165.27
Net profit/(loss) for the year	(3.42)	1,048.01
Other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	5.82	(5.22)
<b>Closing balance</b>	<b>3,210.45</b>	<b>3,208.06</b>

### Note: 18 - Borrowings - Non-current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Other Loans (Secured)		
Hire Purchase from Bank	190.55	258.71
Less: Current maturities of long term borrowing	73.55	68.17
<b>Total</b>	<b>117.00</b>	<b>190.54</b>

#### Terms of Loans

18.1 Hire Purchase Finance is secured by hypothecation of respective vehicles and is repayable monthly within three years.

18.2 The Company does not have any defaults in repayment of loans & interest at reporting date.

### Note: 19 - Lease Liability

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Lease Liability	43.31	-
<b>Total</b>	<b>43.31</b>	<b>-</b>

### Note: 20 - Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Deferred tax asset</b>		
Expenditure allowable for tax purpose upon payment	17.02	23.98
<b>Total deferred tax asset</b>	<b>17.02</b>	<b>23.98</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment : impact of difference between tax depreciation and depreciation/ amortization charged	100.99	92.47
<b>Total deferred tax liabilities</b>	<b>100.99</b>	<b>92.47</b>
<b>Net deferred tax (asset)/liabilities</b>	<b>83.97</b>	<b>68.49</b>

### Note: 21 - Employee benefit obligations

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for Gratuity	47.96	57.31
<b>Total</b>	<b>47.96</b>	<b>57.31</b>

### Note: 22 - Borrowings

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Working Capital Facilities (Secured)		
-Cash Credit from a bank	4.85	81.31
<b>Total</b>	<b>4.85</b>	<b>81.31</b>

Working Capital facility of ₹ 4.85 Lakhs (31st March 2019 ₹ 81.31 Lakhs) from bank is secured by first charge on the current assets and second charge on the property, plant and equipment of the company's Ferro Alloy Plant at Byrnihat, Meghalaya.

## Notes to Standalone Financial Statements (contd.)

### Note: 23 - Trade Payable

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
a) Total outstanding dues of micro and small enterprises	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	68.71	189.38
<b>Total</b>	<b>68.71</b>	<b>189.38</b>

### Note: 24 - Other financial liabilities (including lease liability)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Current maturities of long term borrowings	73.55	68.17
Salary & bonus payable to employees	34.03	50.57
Lease Liability	2.62	-
Other liabilities	947.50	428.02
<b>Total</b>	<b>1,057.70</b>	<b>546.76</b>

### Note: 25 - Other current liabilities

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Other Payables</b>		
-Statutory Liabilities	139.67	225.07
-Advances taken from customer	14.87	50.81
<b>Total</b>	<b>154.54</b>	<b>275.88</b>

### Note: 26 - Employee benefit obligations - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for Leave encashment obligations	11.56	10.95
Provision for Gratuity	8.10	14.08
<b>Total</b>	<b>19.66</b>	<b>25.03</b>

### Note: 27 - Current tax liabilities (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for taxation (net of advance tax of ₹ Nil as at 31st March 2020 and ₹ 202.34 Lakhs as at 31st March 2019)	-	155.45
<b>Total</b>	<b>-</b>	<b>155.45</b>

### Note: 28 - Revenue from operations

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Sale of products	8,725.48	13,201.79
Other operating revenues	-	129.64
<b>Total</b>	<b>8,725.48</b>	<b>13,331.43</b>

### Note: 29 - Other income

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Miscellaneous receipts	23.89	-
Interest income	164.56	112.35
<b>Total</b>	<b>188.45</b>	<b>112.35</b>

### Note: 30 - Cost of materials consumed

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Inventory at the beginning of the year	761.39	1,305.51
Add: Purchases	3,148.59	3,759.95
	<b>3,909.98</b>	<b>5,065.46</b>
Less: Inventory at the end of the year	993.58	761.39
<b>Total</b>	<b>2,916.40</b>	<b>4,304.07</b>

### Note: 31 - (Increase)/Decrease in Inventories

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Inventory at the beginning of the year	591.96	116.40
Inventory at the end of the year	284.27	591.96
<b>Total</b>	<b>307.69</b>	<b>(475.56)</b>

## Notes to Standalone Financial Statements (contd.)

### Note: 32 - Employee benefit expense

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Salaries & Wages	442.17	596.12
Contribution to Provident Fund and other Funds	19.22	28.78
Staff Welfare Expenses	17.13	23.54
<b>Total</b>	<b>478.52</b>	<b>648.44</b>

### Note: 33 - Finance costs

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Interest expenses	21.39	102.20
Other Finance Costs	18.75	27.31
<b>Total</b>	<b>40.14</b>	<b>129.51</b>

### Note: 34 - Depreciation and Amortisation

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Depreciation on Property, Plant & Equipment	224.52	275.92
Amortisation on leased assets	4.03	-
Amortisation on intangible assets	0.53	0.29
<b>Total</b>	<b>229.08</b>	<b>276.21</b>

### Note: 35 - Other expenses

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Consumption of Stores & Spares	330.71	628.07
Packing Materials	47.36	74.86
Power & Fuel	4,098.29	5,591.36
Repairs & Maintenance		
- Building	7.96	24.39
- Plant & Machinery	41.43	77.16
- Others	1.07	19.12
Insurance	29.10	43.49
Rent, Rates & Taxes	12.67	42.74
Travelling and Conveyance	6.93	10.53
Heavy Vehicle / Equipment Running Expenses	37.83	57.05
Corporate Social Responsibility (Refer note 47)	26.40	17.52
Miscellaneous Expenses	65.53	99.64
Outward Freight Charges	245.36	392.98
Commission, Discount & Incentives on Sale	3.54	2.82
<b>Total</b>	<b>4,954.18</b>	<b>7,081.73</b>

### Note: 36 - Tax expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
<b>a) Current tax</b>		
Current tax on profits for the year	3.20	438.53
<b>Total current tax expense</b>	<b>3.20</b>	<b>438.53</b>
<b>b) Deferred tax</b>		
Deferred tax expense	13.53	(7.16)
<b>Total deferred tax expense</b>	<b>13.53</b>	<b>(7.16)</b>
<b>c) Income tax for earlier years</b>		
Income tax expense for earlier years	(25.39)	-
<b>Total Income tax expense</b>	<b>(25.39)</b>	<b>-</b>
<b>Income tax expenses</b>	<b>(8.66)</b>	<b>431.37</b>



## Notes to Standalone Financial Statements (contd.)

### 36.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Profit from continuing operations before income tax expense	(12.08)	1,479.38
<b>Tax at the Indian tax rate of 25.17%</b>	-	<b>430.80</b>
Items not deductible/taxable under tax	6.24	7.73
Additional additions/deductions under provisions of the income tax act	(3.04)	-
Tax credit of earlier years reversed	13.53	(7.16)
Other adjustments	(25.39)	-
<b>Income tax expense</b>	<b>(8.66)</b>	<b>431.37</b>

The tax rate used for the financial year 2018-19 and 2019-20 reconciliation above is the Corporate Tax Rate of 29.12% (25% + Surcharge 12% + Education Cess 4%) and 25.17% (22% + Surcharge 10% + Education Cess 4%) respectively payable on taxable profit under Income Tax Act, 1961.

### Note: 37 - Earnings per share

#### (a) Basic earnings per share

Particulars	31 March, 2020	31 March, 2019
Basic earnings per share attributable to the equity holders of the Company (₹ per Share)	(0.002)	0.47

#### (b) Diluted earnings per share

Particulars	31 March, 2020	31 March, 2019
Diluted earnings per share attributable to the equity holders of the Company (₹ per Share)	(0.002)	0.47

#### (c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Basic earnings per share</b>		
Profit attributable to equity holders of the company used in calculating basis earnings per share	(3.42)	1,048.01
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	(3.42)	1,048.01

#### (d) Weighted average number of equity shares used as the denominator

Particulars	31 March, 2020	31 March, 2019
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	222,172,990	222,172,990
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	222,172,990	222,172,990

### Note: 38 - Employees benefit obligations

#### (i) Leave obligations

Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence, the entire amount of the provision is presented under current. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Leave obligations not expected to be settled within the next 12 months	10.26	9.12

#### (ii) Post-employment obligations

##### a) Gratuity

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972.

## Notes to Standalone Financial Statements (contd.)

### Note: 38 - Employees benefit obligations (Contd.)

(iii) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lakhs)

Particulars	Net Amount
<b>1st April 2018</b>	<b>52.06</b>
Current service cost	10.06
Interest expense/(income)	3.93
<b>Total amount recognised in profit or loss</b>	<b>13.99</b>
<b>Remeasurements</b>	
Return on plan assets, excluding amounts included in interest expense/(income)	-
Actuarial (gain)/loss from change in demographic assumptions	-
Actuarial (gain)/loss from change in financial assumptions	0.46
Actuarial (gain)/loss from unexpected experience	6.90
<b>Total amount recognised in other comprehensive income</b>	<b>7.36</b>
Employer contributions/ premium paid	-
Benefit payments	(2.01)
Disposal/ Transfer of obligation	-
<b>31st March 2019</b>	<b>71.40</b>

(₹ in Lakhs)

Particulars	Net Amount
<b>1st April 2019</b>	<b>71.40</b>
Current service cost	6.86
Interest expense/(income)	4.34
<b>Total amount recognised in profit or loss</b>	<b>11.20</b>
<b>Remeasurements</b>	
Return on plan assets, excluding amounts included in interest expense/(income)	-
Actuarial (gain)/loss from change in demographic assumptions	-
Actuarial (gain)/loss from change in financial assumptions	3.43
Actuarial (gain)/loss from unexpected experience	(11.20)
<b>Total amount recognised in other comprehensive income</b>	<b>(7.77)</b>
Employer contributions/ premium paid	-
Benefit payments	(18.76)
Disposal/ Transfer of Asset	-
<b>31st March 2020</b>	<b>56.06</b>

(iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March, 2020	31 March, 2019
Discount rate	7.00%	7.70%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table

## Notes to Standalone Financial Statements (contd.)

### Note: 38 - Employees benefit obligations (Contd.)

#### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakhs)

Particulars	Impact on defined benefit obligation			
	31 March, 2020		31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	51.30	61.59	65.78	77.94
Salary growth rate (-/+ 1%)	61.77	51.08	78.14	65.54
Withdrawal rate (-/+ 1%)	56.40	55.67	72.15	70.53

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

#### (vi) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

##### Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

##### Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

##### Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

#### (vii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31st March 2021 are ₹ 19.97 Lakhs.

The weighted average duration of the defined benefit obligation is 5.29 years (31st March 2019 : 4.92 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Lakhs)

Particulars	Less than a year	Between 2- 5 years	Over 5 years
<b>31st March 2020</b>			
Defined benefit obligation (gratuity)	8.10	12.64	21.02
<b>Total</b>	<b>8.10</b>	<b>12.64</b>	<b>21.02</b>
<b>31st March 2019</b>			
Defined benefit obligation (gratuity)	14.08	7.88	17.77
<b>Total</b>	<b>14.08</b>	<b>7.88</b>	<b>17.77</b>

### Note: 39 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Current</b>		
<b>Financial assets</b>		
<i>First charge</i>		
Inventory	1,667.42	1,766.17
Trade receivables	3,844.12	2,791.67
Loans	134.18	-
Cash & Cash Equivalents	158.82	984.84
Other current assets	1,080.31	1,006.77
<b>Total current assets pledged as security</b>	<b>6,884.85</b>	<b>6,549.46</b>
<b>Non-current</b>		
<i>Second charge</i>		
Property, plant and equipment, intangible assets	1,734.55	1,993.63
<b>Total non-currents assets pledged as security</b>	<b>1,734.55</b>	<b>1,993.63</b>
<b>Total assets pledged as security</b>	<b>8,619.40</b>	<b>8,543.09</b>

## Notes to Standalone Financial Statements (contd.)

### Note: 40 - Financial instruments by category

(₹ in Lakhs)

Particulars	31 March, 2020			31 March, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Security Deposits	-	-	56.21	-	-	55.71
Loan	-	-	134.18	-	-	-
Advance given to suppliers recoverable	-	-	19.55	-	-	11.55
Advance given for services and expenses recoverable	-	-	360.87	-	-	341.84
Trade Receivable	-	-	3,844.12	-	-	2,791.67
Cash and cash equivalents	-	-	158.82	-	-	984.84
	-	-	<b>4,573.75</b>	-	-	<b>4,185.61</b>
<b>Financial liabilities</b>						
Borrowing	-	-	121.85	-	-	340.03
Trade Payable	-	-	68.71	-	-	189.38
Lease Liability	-	-	43.31	-	-	-
Salary & Bonus Payable to Employees	-	-	34.03	-	-	50.57
Other Liabilities	-	-	1,023.67	-	-	428.02
	-	-	<b>1,291.57</b>	-	-	<b>1,008.00</b>

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments is determined using discounted cash flow analysis.

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

(₹ in Lakhs)

Particulars	31 March, 2020		31 March, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security Deposits	56.21	56.21	55.71	55.71
<b>Total financial assets</b>	<b>56.21</b>	<b>56.21</b>	<b>55.71</b>	<b>55.71</b>
<b>Financial liabilities</b>				
Borrowings	190.55	190.55	258.72	258.72
Lease Liability	43.31	43.31	-	-
<b>Total financial liabilities</b>	<b>233.86</b>	<b>233.86</b>	<b>258.72</b>	<b>258.72</b>

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

## Notes to Standalone Financial Statements (contd.)

### Note: 41 - Capital management

#### (a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The amount mentioned under total equity in balance sheet is considered as Capital.

### Note: 42 - Financial risk management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Aging analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions

#### (A) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

##### i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

(₹ in Lakhs)

Particulars	Not due	Less than 6 months	6 months - 1 year	> 1 year	Total
Trade receivable as on 31st March, 2020	925.59	2,777.25	33.16	108.12	3,844.12
Trade receivable as on 31st March, 2019	1,473.79	1,189.59	4.28	124.01	2,791.67

##### ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2020 and 31st March 2019 is the carrying amounts as illustrated in Note No. 40.

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

## Notes to Standalone Financial Statements (contd.)

### Note: 42 - Financial risk management (Contd.)

#### (i) Financing arrangements

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

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Floating Rate		
- Expiring within one year (bank overdraft and other facilities)	2,995.15	2,918.69
	<b>2,995.15</b>	<b>2,918.69</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### Contractual maturities of financial liabilities - 31st March, 2020

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	68.71	-	-	-	68.71
Borrowings	78.40	79.35	37.65	-	195.40
Interest payable on above borrowings	12.03	6.22	1.22	-	19.47
Lease Liabilities	6.75	13.50	20.25	33.74	74.23
Other financial liabilities	984.15	-	-	-	984.15
<b>Total financial liabilities</b>	<b>1,150.04</b>	<b>99.07</b>	<b>59.12</b>	<b>33.74</b>	<b>1,341.97</b>

#### Contractual maturities of financial liabilities - 31st March, 2019

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	189.38	-	-	-	189.38
Borrowings	149.48	73.55	117.00	-	340.03
Interest payable on above borrowings	17.40	12.03	7.45	-	36.88
Other financial liabilities	478.59	-	-	-	478.59
<b>Total financial liabilities</b>	<b>834.85</b>	<b>85.58</b>	<b>124.45</b>	<b>-</b>	<b>1,044.88</b>

#### (C) Market risk

##### (i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

##### Foreign currency risk exposure

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

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Financial assets	-	-
Financial liabilities	-	10.38
<b>Net exposure to foreign currency risk</b>	<b>-</b>	<b>10.38</b>

##### Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31 March, 2020	31 March, 2019
INR appreciates by 10% (2019: 10%)	-	1.04
INR depreciates by 10% (2019: 10%)	-	(1.04)

\* Holding all other variables constant

## Notes to Standalone Financial Statements (contd.)

### Note: 42 - Financial risk management (Contd.)

#### (ii) 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's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2020, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (a) Interest rate risk exposure

##### On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Variable rate borrowings	4.85	81.31
Fixed rate borrowings	190.55	258.72
<b>Total borrowings</b>	<b>195.40</b>	<b>340.03</b>

#### (b) Sensitivity

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

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31 March, 2020	31 March, 2019
Interest expense rates – increase by 50 basis points (2018: 50 bps)*	(0.02)	(0.41)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)*	0.02	0.41

\* Holding all other variables constant

### Note: 43 - Related Party Disclosures

#### I. Name of the related parties and related party relationship:

Sl. No.	Names of the related parties where control exists	Nature of relationship
A.	Star Cement Limited (Formerly Cement Manufacturing Company Limited) (SCL)	Enterprise owned/influenced by KMP
	Meghalaya Power Limited (MPL)	Associate
B.	<b>Key Management Personnel</b>	
	<b>Name of the Related Parties</b>	<b>Nature of relationship</b>
	Mr. M.V.K.Nageswara Rao	Chief Executive Officer (upto 30.12.2019)
	Mr. Uday Bahadur Chetri	Chief Financial Officer (upto 30.04.2019)
	Mr. Kamlesh Pathak	Chief Financial Officer (w.e.f. 01.10.2019)
	Ms. Neha Agarwal	Company Secretary

#### II. Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March 2020 and 31st March 2019 are given hereunder:

(₹ in Lakhs)

Sl. No.	Type of Transactions	Associate		Key Management Personnel		Enterprise Owned/ Influences by KMP	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	<b>Purchase Transaction</b>						
	Meghalaya Power Limited	-	1,598.14	-	-	-	-
2	<b>Sale Transaction</b>						
	Star Cement Limited	-	-	-	-	-	18.47
3	<b>Sale of Capital Asset</b>						
	Star Cement Limited	-	-	-	-	55.89	-
4	<b>Remuneration Paid</b>						
	Mr. M.V.K.Nageswara Rao	-	-	27.71	30.27	-	-
	Mr. Kamlesh Pathak	-	-	3.47	-	-	-
	Mr. Uday Bahadur Chetri	-	-	1.10	7.64	-	-
	Ms. Neha Agarwal	-	-	8.09	5.25	-	-
5	<b>Outstanding Balances as at 31st March, 2020:</b>						
6	<b>Investment</b>						
	Meghalaya Power Limited	3,373.50	3,373.50	-	-	-	-

## Notes to Standalone Financial Statements (contd.)

### Note: 43 - Related Party Disclosures (Contd.)

#### III. Key management personnel compensation

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Short-term employee benefits	40.37	43.16
Post-employment benefits*	-	-
Long-term employee benefits*	-	-
<b>Total compensation</b>	<b>40.37</b>	<b>43.16</b>

\* Post-employment benefits and long-term employee benefits are determined on the basis of actuarial valuation for the company as a whole and hence segregation is not available

### Note: 44 - Segment Reporting

(₹ in Lakhs)

Sl. No.	Particulars	2019-20				2018-19			
		Ferro Alloys	Power	Others	Total	Ferro Alloys	Power	Others	Total
<b>a</b>	<b>External sales</b>	<b>8,725.48</b>	-	-	<b>8,725.48</b>	<b>13,313.84</b>	<b>17.59</b>	-	<b>13,331.43</b>
	Inter-segment sales	-	-	-	-	-	1,516.77	-	1,516.77
	Elimination	-	-	-	-	-	(1,516.77)	-	(1,516.77)
	Total Revenue (Gross)	8,725.48	-	-	8,725.48	13,313.84	17.59	-	13,331.43
<b>b</b>	<b>Segment Results</b>	<b>112.50</b>	<b>(128.94)</b>	-	<b>(16.44)</b>	<b>1,748.07</b>	<b>29.56</b>	-	<b>1,777.63</b>
	Unallocated Income/(-) Expenses (Net of unallocated Income/(-) Expenses) (Including Exceptional Items)	-	-	(44.50)	(44.50)	-	-	168.75	168.75
	Operating Profit/Loss (-)	-	-	-	28.06	-	-	-	1,608.88
	Finance Cost (Net)	-	-	40.14	40.14	-	-	129.51	129.51
	Provision for Taxation	-	-	-	3.20	-	-	-	438.53
	Deferred Tax charge(-) / Credit	-	-	-	13.53	-	-	-	(7.16)
	Income Tax for earlier years	-	-	-	(25.39)	-	-	-	-
	Total Profit /(-) Loss after tax	-	-	-	(3.42)	-	-	-	1,048.01
<b>c</b>	<b>Other Information</b>								
i	Segment Assets	8,672.51	969.32	-	9,641.82	9,841.49	1,046.30	-	10,887.78
	Unallocated Corporate/Other Assets	-	-	3,475.83	3,475.83	-	-	2,219.93	2,219.93
	<b>Total</b>	<b>8,672.51</b>	<b>969.32</b>	<b>3,475.83</b>	<b>13,117.66</b>	<b>9,841.49</b>	<b>1,046.30</b>	<b>2,219.93</b>	<b>13,107.72</b>
ii	Segment Liabilities	1,089.43	117.96	-	1,207.39	806.73	137.11	-	943.84
	Unallocated Corporate/Other Liabilities	-	-	390.30	390.30	-	-	646.31	646.31
	<b>Total</b>	<b>1,089.43</b>	<b>117.96</b>	<b>390.90</b>	<b>1,597.69</b>	<b>806.73</b>	<b>137.11</b>	<b>646.31</b>	<b>1,590.15</b>
iii	Capital Expenditure	(29.99)	-	-	(29.99)	(57.83)	-	-	(57.83)
iv	Depreciation/Amortisation	173.83	55.25	-	229.08	209.33	66.88	-	276.21

#### Notes :

- Business Segments: The operating segments have been identified which are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM) i.e. board of directors. The identified operating segments are following-
  - Ferro Alloys : Manufacturing of Ferro Alloy
  - Power : Generation of Power
- Four customers of the entity accounts for approximately 61.58% of the revenue for the year ended 31st March 2020 (Four customers as on 31st March 2019 : 69.24%)
- Geographical Segments: The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.



## Notes to Standalone Financial Statements (contd.)

### Note: 45 - Contingent Liabilities & Commitments

(₹ in Lakhs)

Sl. No.	Particulars	31 March, 2020	31 March, 2019
(i)	Claims against the company not acknowledged as debts- Excise / VAT / Income Tax matters etc.	2,710.88	859.85

- (a) Supreme Court vide its Judgement dated 22.04.2020 in the matter of M/s V.V.F Limited & others versus the Union of India has reversed the Judgement of the Hon'ble Supreme Court in the matter of M/s V.V.F Limited & others Vs the Union of India based on which Shillong Bench and Guwahati Bench of Hon'ble High Court of Guwahati has passed the order in favour of the Company and Company has claimed refund of 50% of differential Excise duty against furnishing of surety bond. The Company is preferring an appeal before the appropriate Forum against the above judgement. It is to be noted that misuse of benefit granted by some unscrupulous assessee cannot be made a ground to deny the benefits to genuine manufacturers and cannot be termed as in public interest. It can also not be said that the subsequent notifications are only clarificatory in nature and are not hit by doctrine of promissory estoppel as denial of promised benefits will hurt the genuine manufacturer who have changed their position on the basis of promise by the state. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood of reversal of the said judgement and appeal will be allowed and hence no reversal of income amounting to ₹ 1,720.30 Lakhs which was previously booked in the books of accounts is required.
- (b) On the basis of the direction of the High Court of Meghalaya dated 30.08.2018 following the decision of the Supreme Court dated 10.11.2017 passed in SRD Nutrients Pvt. Ltd. Vs. Commissioner of Central Excise, Guwahati, Company has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112.04 Lakhs in previous years. However, the Apex court vide its order dated 06.12.2019 have taken a contrary view in the matter of M/s Unicorn Industries Vs Union of India and Others. Based on the later judgement a demand letter was raised by the department to refund back the amount granted. As the order dated 30.08.2018, has attained its finality and the refund was granted accordingly, the Company has preferred an appeal before the appropriate Forum against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16.06.2020. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.
- (c) In respect of demand notice dated 19.02.2020 received by the Company from Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹1,738.99 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17.01.2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Company has neither been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Company before passing the impugned order dated 17.01.2020 which is clear violation of principles of natural justice.

The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Company either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Internal Report. Therefore, there is every likelihood of the Demand Notice being set aside. The Company is preferring an appeal before appropriate forum and accordingly, no provisions has been made in the accounts.

### Note: 46 - Payment to Auditor

(₹ in Lakhs)

Nature of Expenditure	2019-20	2018-19
<b>As Auditor</b>		
- Statutory Audit Fees	1.80	1.80
-Tax Audit Fees	0.25	0.25
<b>In Other Capacity</b>		
Certification Fees and Other Services	1.56	0.65
<b>Total</b>	<b>3.61</b>	<b>2.70</b>

## Notes to Standalone Financial Statements (contd.)

### Note: 47 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas in which CSR activities are eradication of hunger and malnutrition, promoting, education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects.

A CSR Committee has been formed by Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the company during the year is ₹ 25.88 Lakhs (31st March 2019: ₹ 17.15 Lakhs)
- b) Amount spent during the year :

		(₹ in Lakhs)	
Sl. No.	Nature of Expenditure	2019-20	2018-19
(i)	Education	26.40	7.50
(ii)	Animal Welfare	-	10.02
	<b>Total</b>	<b>26.40</b>	<b>17.52</b>

- 48 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the company.
- 49 The operations of Company was impacted, due to temporary shutdown of the plant following nationwide lockdown announced by the Government of India in view of COVID-19, pandemic. The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its property, plant and equipment, loans and other assets, intangible assets, right of use assets, investments, inventories and trade receivables. Based on current indicators of future economic conditions, it is expected to recover the carrying amount of these assets. The management does not foresee any risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. It will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- 50 The standalone financial statements are approved by the Audit Committee at its meeting held on 25th June, 2020 and by the Board of Directors on the same date.
- 51 Notes to the standalone financial statements comprises of information relevant for the Company.

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Independent Auditors' Report

To the Members of  
Shyam Century Ferrous Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Shyam Century Ferrous Limited** ("the Company"), and its associate (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in

the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw your attention to Note No. 49 to the consolidated financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances/development as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matters	Auditor's Response
1	<p><b>Revenue Recognition</b></p> <p>(Refer Note No. 28 to the Consolidated financial statements and Note No. 1.4 of the significant accounting policies of Consolidated Financial Statements).</p> <p>Revenue is recognised when the control of the products has transferred and dispatched to customer. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</p> <p>Revenue is recognised based on the price and as per terms specified in the contracts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.</p> <p>There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue and hence this was determined to be a key audit matter.</p>	<p><b>Our audit procedures to assess the appropriateness of revenue recognized included:</b></p> <ul style="list-style-type: none"> <li>Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process.</li> <li>Obtaining and inspecting, on a sample basis, individual sales transaction and traced to sales invoices, sales order and other related documents as well as credit notes issued after the year end to determine whether these were recorded appropriately.</li> <li>Examination of significant contracts entered into close to year end to ensure revenue recognition is made in the correct period.</li> </ul> <p>Our testing as described above showed that revenue has been recorded in accordance with the terms of applicable contracts and accounting policy in this area.</p>

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

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

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statement by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the company's financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We communicated with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matter

- Due to COVID-19 pandemic and the consequential nationwide lockdown announced by the Central and State Government including the travel restrictions, maintenance of social distancing etc., the audit team has performed the audit from remote location, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us. Further, our attendance at the physical inventory verification done by the management was impracticable under the current lockdown restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Consideration for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

- We did not audit the financial statements and other financial information in respect of its associate (Meghalaya Power Limited) whose Ind AS financial statement reflect total assets of ₹ 23,360.99 Lakhs as at March 31, 2020, total revenues of

₹ 12,232.80 Lakhs total net profit of ₹ 359.37 Lakhs and total comprehensive income of ₹ 358.20 Lakhs for the year ended on that date, as considered in the consolidated financial statement. The above financial information are before giving effect to any consolidation adjustments. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Associate, and our report in terms of sub sections (3) of Section 143 of the Act, in so far as it relates to the these associates, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

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

- (a) Without prejudice to the issues described under "Other matter" section, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2020, taken on record by the Board of Directors of Company and its associate incorporated in India, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, and based on the reports of the statutory auditors of such associates companies, incorporated in India which were not audited by us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group.
  - ii. The Group did not have any long-term contracts

including derivative contracts for which there were any material foreseeable losses;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associates Companies incorporated in India during the year ended March 31, 2020.

**For A K S D & Associates**

(Formerly Kailash B. Goel & Co.)

Firm Registration No. 322460E

Chartered Accountants

**CA Arun Kumar Sharma**

Partner

Membership No. 057329

UDIN: 20057329AAAAAY4728

Place: Kolkata

Date: 25th June, 2020

## Annexure - A to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Shyam Century Ferrous Limited

### 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of **Shyam Century Ferrous Limited** (hereinafter referred to as "the Company") and its associate which is a company incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate company, which is a company incorporated in India.

### Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its associate company, which is a company incorporated in India, have, in all material respects, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal

financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

#### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate, which is company incorporated in India, is based on the

corresponding reports of the auditors of such associate companies incorporated in India. Our Opinion is not modified in respect of above matters.

**For A K S D & Associates**  
(Formerly Kailash B. Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA Arun Kumar Sharma**  
Partner  
Membership No. 057329  
UDIN: 20057329AAAAAY4728

Place: Kolkata  
Date: 25th June, 2020



## Consolidated Balance Sheet as at 31st March, 2020

(₹ in Lakhs)

Particulars	Notes	31 March, 2020	31 March, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	1,733.71	1,993.39
(b) Right-of-use assets		44.30	-
(c) Intangible assets	4	0.84	0.24
(d) Investment	5	7,009.60	6,834.81
(e) Financial assets			
(i) Loans	6	56.21	55.71
(ii) Other financial assets	7	49.25	47.75
(f) Non-current tax asset (net)	8	97.67	210.34
(g) Other non-current assets	9	877.33	877.33
<b>Total non-current assets</b>		<b>9,868.91</b>	<b>10,019.57</b>
<b>(2) Current assets</b>			
(a) Inventories	10	1,667.43	1,766.17
(b) Financial assets			
(i) Trade receivables	11	3,844.12	2,791.67
(ii) Cash and cash equivalents	12	158.82	984.84
(iii) Loans	13	134.18	-
(iv) Other financial assets	14	331.16	305.64
(c) Other current assets	15	749.14	701.14
<b>Total current assets</b>		<b>6,884.85</b>	<b>6,549.46</b>
<b>Total assets</b>		<b>16,753.76</b>	<b>16,569.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	2,221.73	2,221.73
(b) Other equity	17	12,934.33	12,757.15
<b>Total equity</b>		<b>15,156.06</b>	<b>14,978.88</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	117.00	190.54
(ii) Lease Liability	19	43.31	-
(b) Deferred tax liabilities (net)	20	83.97	68.49
(c) Employee benefit obligations	21	47.96	57.31
<b>Total non-current liabilities</b>		<b>292.24</b>	<b>316.34</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	4.85	81.31
(ii) Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro and small enterprises		68.71	189.38
(iii) Other financial liabilities (including lease liability)	24	1,057.70	546.76
(b) Other current liabilities	25	154.54	275.88
(c) Employee benefit obligations	26	19.66	25.03
(d) Current tax liabilities (net)	27	-	155.45
<b>Total current liabilities</b>		<b>1,305.46</b>	<b>1,273.81</b>
<b>Total liabilities</b>		<b>1,597.70</b>	<b>1,590.15</b>
<b>Total equity and liabilities</b>		<b>16,753.76</b>	<b>16,569.03</b>
<b>Summary of Significant accounting policies</b>	1&2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Notes	31 March, 2020	31 March, 2019
<b>Income</b>			
Revenue from operations	28	8,725.48	13,331.43
Other income	29	188.45	112.35
<b>Total income</b>		<b>8,913.93</b>	<b>13,443.78</b>
<b>Expenses</b>			
Cost of materials consumed	30	2,916.40	4,304.07
(Increase)/Decrease in Inventories	31	307.69	(475.56)
Employee benefit expense	32	478.52	648.44
Finance costs	33	40.14	129.51
Depreciation and amortisation expense	34	229.08	276.21
Other expenses	35	4,954.18	7,081.73
<b>Total expenses</b>		<b>8,926.01</b>	<b>11,964.40</b>
<b>Profit before tax</b>		<b>(12.08)</b>	<b>1,479.38</b>
Income tax expense			
- Current tax	36	3.20	438.53
- Deferred tax		13.53	(7.16)
- Income Tax for earlier years		(25.39)	-
<b>Total tax expense</b>		<b>(8.66)</b>	<b>431.37</b>
<b>Profit for the year</b>		<b>(3.42)</b>	<b>1,048.01</b>
Share of profit of associate		175.36	619.29
<b>Net Profit after taxes and share of profit of associate</b>		<b>171.94</b>	<b>1,667.30</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligations	38	7.77	(7.36)
Share of other comprehensive income of associate accounted using equity method		(0.79)	(0.41)
Income tax relating to these items		(1.74)	2.26
<b>Other comprehensive income for the year, net of tax</b>		<b>5.24</b>	<b>(5.51)</b>
<b>Total comprehensive income for the year</b>		<b>177.18</b>	<b>1,661.79</b>
<b>Earnings per equity share:</b>			
Basic earnings per share (₹ per Share)	37	0.08	0.75
Diluted earnings per share (₹ per Share)		0.08	0.75
Summary of Significant accounting policies	1&2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

### A. Equity share capital:

(₹ in Lakhs)

Particulars	Amount
As at 1st April, 2018	2,221.73
Changes in equity share capital	-
As at 31st March, 2019	2,221.73
Changes in equity share capital	-
As at 31st March, 2020	2,221.73

### B. Other equity:

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2018	7,227.80	3,867.56	11,095.36
Profit for the year (a)	-	1,667.30	1,667.30
Other comprehensive income/(loss) for the year (b)	-	(5.51)	(5.51)
Total comprehensive income for the year (a + b)	-	1,661.79	1,661.79
Balance as at 31st March, 2019	7,227.80	5,529.35	12,757.15

(₹ in Lakhs)

Particulars	Reserve and surplus		Total other equity
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2019	7,227.80	5,529.35	12,757.15
Profit for the year (a)	-	171.94	171.94
Other comprehensive income/(loss) for the year (b)	-	5.24	5.24
Total comprehensive income for the year (a + b)	-	177.18	177.18
Balance as at 31st March, 2020	7,227.80	5,706.53	12,934.33

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Consolidated Statement of Cash Flow for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before Tax	(12.08)	1,479.38
<b>Adjustments for:</b>		
Depreciation/Amortisation	229.08	276.21
(Profit)/Loss on sale of property, plant and equipment	(3.69)	(10.48)
Finance Cost	40.14	129.51
Interest and Other Income	(184.75)	101.88
<b>Operating Profit before Working Capital changes</b>	<b>68.70</b>	<b>1,976.50</b>
<b>Adjustments for:</b>		
(Increase)/Decrease in Trade receivables	(1,052.45)	512.68
(Increase)/Decrease in Inventories	98.75	995.58
(Increase)/Decrease in Other receivables	(208.21)	(272.70)
(Increase)/Decrease in Other assets	151.87	612.62
Increase/(Decrease) in Other liabilities	270.50	(444.56)
Increase/(Decrease) in Trade payables	(120.67)	(401.96)
<b>Cash Generated from Operations</b>	<b>(791.51)</b>	<b>2,978.16</b>
Income Tax Paid	(16.53)	(524.17)
<b>Net Cash generated from Operating Activities</b>	<b>(808.04)</b>	<b>2,453.99</b>
<b>B. Cash Flow From Investing Activities</b>		
(Purchase)/Sale of Property, Plant & Equipment	(76.01)	(57.83)
Sale of Fixed Assets	65.39	15.70
Interest Received	182.79	(101.88)
<b>Net Cash from Investing Activities</b>	<b>172.17</b>	<b>(144.01)</b>
<b>C. Cash Flow From Financing Activities</b>		
Increase/ (Decrease) in Short Term Borrowings	(76.46)	(1,300.39)
Repayment of Long Term Borrowings	(73.54)	(63.18)
Payment of Lease Liability	(4.36)	-
Interest Paid	(35.79)	(129.51)
<b>Net Cash used in Financing Activities</b>	<b>(190.15)</b>	<b>(1,493.08)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(826.02)</b>	<b>816.90</b>
<b>Opening Cash and Cash Equivalents</b>	<b>984.84</b>	<b>167.94</b>
<b>Closing Cash and Cash Equivalents</b>	<b>158.82</b>	<b>984.84</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## Notes to Consolidated Financial Statements for the year ended 31st March, 2020

### Corporate Information

Shyam Century Ferrous Limited (referred herein after as "Group") is a public company domiciled in India and incorporated on 12.04.2011 under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company is engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. The company is selling its product across India.

### 1. Accounting Policies

#### 1.1 Basis of Preparation

##### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The Company has adopted all the applicable Ind AS standards effective 1st April, 2017 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

##### (ii) Historical Cost Convention

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

- defined benefit plans – plan assets measured at fair value
- certain financial assets that are measured at fair value

##### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### 1.2 Principles of equity accounting – Associate

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see below), after initially being recognised at cost.

##### Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described below.

#### 1.3 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities,

## Notes to Consolidated Financial Statements (Contd.)

at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates.

### 1.4 Revenue Recognition

Sales are recognised when control of the products has transferred, domestic sales are accounted when the products are dispatched to the customers and export sales are accounted on the basis of bill of export/bill of lading. Delivery occurs when the product has been dispatched to the specific location and the risk of obsolescence / loss has been transferred and there is no unfulfilled obligation that could affect the buyer's acceptance of the product as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Revenue is recognised based on the price specified in the contract, net of discounts/claims. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are dispatched as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

### 1.5 Property, plant and equipment

Property, plant and equipment are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortization and impairment loss, if any, except freehold land which is carried at cost. Cost comprises the purchase price inclusive of duties, taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use.

#### Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and includes any directly attributable cost incurred during construction period.

#### Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned and attributable interest and financing cost, prior to commencement of commercial production are capitalized.

#### Depreciation

Depreciation on property, plant and equipment is provided on written down value method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof'. Depreciation is provided on components that have homogenous useful lives by using the WDV method so as to depreciate the initial cost down to the residual value over the estimated useful lives. Useful lives, components and residual amounts are reviewed annually.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### 1.6 Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a part of manufacturing overheads based on normal operating capacity.

Cost of Inventories excluding finished goods and work-in-progress is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 1.7 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### 1.8 Investments and other financial assets

#### Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

## Notes to Consolidated Financial Statements (Contd.)

The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

### Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

### Equity instruments

The Group subsequently measures all equity investments (except subsidiary, associate and joint venture) at fair value through profit or loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

### Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

## 1.9 Financial liabilities

### Initial recognition and measurement

The Group recognises all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

### Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those measured at fair value through profit or loss.

### De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

## Notes to Consolidated Financial Statements (Contd.)

### 1.10 Government Grants and subsidies

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants, if any granted by way of recoupment / reimbursement of any item of expenditure are recognized in the Statement of Profit and Loss by way of deduction from related item of expenses. Grants related to assets which are recognized in the Statement of Financial Position as deferred income, are recognized to the Statement of Profit and Loss on a systematic basis over the useful life of the related assets by netting off with the related expense.

### 1.11 Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

#### (ii) Defined Contribution Plan

Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due.

#### (iii) Defined Benefit Plan

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### (iv) Other Long-term benefits

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.

### 1.12 Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

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

### 1.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from relevant foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

### 1.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 1.15 Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by



## Notes to Consolidated Financial Statements (Contd.)

the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The deferred tax in respect of temporary differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961.

### 1.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 1.17 Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

### 1.18 Provisions and Contingencies

A Provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts. Contingent assets are also disclosed by way of notes to the accounts.

### 1.19 Foreign Currency Transactions and Balances

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian National Rupee (INR), which is Shyam Century Ferrous Limited's functional and presentation currency.

Transactions in foreign currencies entered into by the Group are accounted at the exchanges rates prevailing on the date of the transactions. Exchange differences arising on settlement /restatement of short-term foreign currency monetary assets and liabilities of the Group are recognized as income or expenses in the Statement of Profit and Loss. All foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

### 1.20 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another

## Notes to Consolidated Financial Statements (Contd.)

party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### 1.21 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

### 1.22 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### 1.23 Intangible Asset

An intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased software and IT related expenditure are written off over a period of three years.

### 1.24 Lease

#### As a Lessee:

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

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset and lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Right of use assets are measured applying the Cost model. They are subsequently measured at cost, less any accumulated depreciation, adjustments for any remeasurement of the lease liabilities and impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

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

#### As a Lessor:

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee.

## Notes to Consolidated Financial Statements (Contd.)

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Operating lease payments are recognised as an income in the statement of profit and loss on a straight-line basis over the lease term, unless the receipt from lessee is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

### 1.25 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit and Loss and capital expenditure is added to the cost of property, plant and equipment in the year in which they are incurred.

### 1.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### Note 2 : Disclosure on Transition :

#### Adoption of a new accounting standard on Leases Ind AS 116

The Group has adopted Ind AS 116 'Leases' with effect from 1st April, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019 using modified retrospective method. Accordingly, the comparatives have not been retrospectively adjusted.

On transition, the adoption of this standard resulted in recognition of Right of Use Asset of ₹ 48.32 Lakhs and lease liability of ₹ 48.32 Lakhs as at 1st April, 2019. At the year end the cumulative impact of applying this standard resulted in decrease in profit of ₹ 1.63 Lakhs, the result of which did not have any material impact on the profit before tax, profit for the year and earning per share for the year ended 31st March, 2020.

Ind AS 116 will result in an increase in cash inflows from operating activities and an decrease in cash outflows from financing activities on account of lease payments. The lease liabilities were discounted using the incremental borrowing rate of the company as at 1st April, 2019. The Weighted Average incremental borrowing rate applied to lease liability as at 1st April, 2019 is 9.00%.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. In statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous year to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability.

In the context of initial application, the company has exercised the option not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020 :

Particulars	(₹ in Lakhs)
	Amount
Balance as at April 1, 2019	-
Recognition on account of adoption of Ind AS 116	48.32
Additions	-
Depreciation	4.03
Balance as at March 31, 2020	44.30

The depreciation expense of ₹ 4.03 Lakhs on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended March 31, 2020 :

Particulars	(₹ in Lakhs)
	Amount
Balance as at April 1, 2019	-
Recognition on account of adoption of Ind AS 116	48.32
Interest expense during the period	4.35
Payment of lease liabilities	6.75
Balance as at March 31, 2020	45.93

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

## Notes to Consolidated Financial Statements (Contd.)

Note: 3 - Property, plant and equipment

Particulars	(₹ in Lakhs)										
	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total	
<b>Gross block</b>											
As at 1st April 2018	86.17	397.41	195.06	1,392.14	145.30	3.75	2.85	2.66	453.71	2,679.05	
Addition	-	-	-	1.93	-	-	-	-	56.08	58.00	
Disposals/Deduction/Disposal	-	-	-	-	-	0.06	0.02	0.09	5.22	5.39	
As at 31st March 2019	86.17	397.41	195.06	1,394.07	145.30	3.69	2.83	2.57	504.57	2,731.67	
Addition	-	-	-	-	16.58	-	-	-	-	16.58	
Disposals/Deduction/Disposal	-	-	-	69.41	-	-	0.68	-	15.80	85.90	
As at 31st March 2020	86.17	397.41	195.06	1,324.66	161.88	3.69	2.15	2.57	488.77	2,662.35	
<b>Depreciation</b>											
As at 1st April 2018	-	70.99	19.94	227.07	47.30	1.30	1.54	1.31	92.91	462.36	
Charge for the year	-	30.59	8.38	105.78	15.80	0.29	0.37	0.19	114.52	275.92	
Disposals/Deduction/Disposal	-	-	-	-	-	-	-	-	-	-	
As at 31st March 2019	-	101.58	28.32	332.85	63.10	1.59	1.91	1.50	207.43	738.28	
Charge for the year	-	27.72	7.97	86.32	12.97	0.16	0.16	0.05	89.17	224.52	
Disposals/Deduction/Disposal	-	-	-	22.04	-	-	0.54	-	11.58	34.16	
As at 31st March 2020	-	129.30	36.29	397.13	76.07	1.75	1.53	1.55	285.02	928.64	
<b>Net Block</b>											
As at 31st March 2019	86.17	295.83	166.74	1,061.22	82.20	2.10	0.92	1.07	297.14	1,993.39	
As at 31st March 2020	86.17	268.11	158.77	927.52	85.81	1.94	0.62	1.02	203.75	1,733.71	

## Notes to Consolidated Financial Statements (Contd.)

### Note: 4 - Intangible assets

(₹ in Lakhs)

Particulars	Computer Software
<b>Gross block</b>	
As at 1st April 2018	2.53
Addition	-
Disposals/Deduction/Disposal	-
<b>As at 31st March 2019</b>	<b>2.53</b>
Addition	1.13
Disposals/Deduction/Disposal	-
<b>As at 31st March 2020</b>	<b>3.66</b>
<b>Depreciation</b>	
As at 1st April 2018	2.00
Charge for the year	0.29
Disposals/Deduction/Disposal	-
<b>As at 31st March 2019</b>	<b>2.29</b>
Charge for the year	0.53
Disposals/Deduction/Disposal	-
<b>As at 31st March 2020</b>	<b>2.82</b>
<b>Net Block</b>	
As at 31st March 2019	0.24
As at 31st March 2020	0.84

During the year, the Company has discarded fixed assets amounting to ₹ 2.98 Lakhs (as at 31st March, 2019 ₹ 5.65 Lakhs) and sold fixed assets amounting to ₹ 203.67 Lakhs (as at 31st March, 2019 ₹ 88.04 Lakhs)

### Note: 5 - Investment

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unquoted equity instrument		
Meghalaya Power Limited		
83,58,998 (83,58,998 as at 31st March 2019) equity shares of ₹10 each fully paid up	7,009.60	6,834.81
<b>Total</b>	<b>7,009.60</b>	<b>6,834.81</b>

### Note: 6 - Financial assets - Loans - non current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered Good		
Security Deposits	56.21	55.71
<b>Total</b>	<b>56.21</b>	<b>55.71</b>

### Note: 7 - Other financial assets - non current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advances for services & expenses recoverable	49.25	47.75
<b>Total</b>	<b>49.25</b>	<b>47.75</b>

### Note: 8 - Non-current tax asset (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advance income tax (net of provision for taxation of ₹ 3.20 Lakhs as at 31st March 2020 and ₹ 1,524.34 Lakhs as at 31st March 2019)	97.67	210.34
<b>Total</b>	<b>97.67</b>	<b>210.34</b>

### Note: 9 - Other non-current assets

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Subsidies/ incentives receivable from central/ state government	876.63	876.63
Deposit with statutory/Government authorities	0.70	0.70
<b>Total</b>	<b>877.33</b>	<b>877.33</b>

## Notes to Consolidated Financial Statements (Contd.)

### Note: 10 - Inventories

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Raw materials	993.58	761.39
Finished goods	284.27	591.96
Fuels, packing materials, etc.	18.13	20.60
Stores & spare parts	371.45	392.22
<b>Total</b>	<b>1,667.43</b>	<b>1,766.17</b>

### Note: 11 - Trade receivables

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered good	3,844.12	2,791.67
<b>Total</b>	<b>3,844.12</b>	<b>2,791.67</b>

### Note: 12 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Cash in hand	2.45	2.88
Cheques in hand	9.51	3.93
Balance with banks:		
- In current accounts	11.90	177.35
Fixed Deposit with Bank	134.96	800.68
<b>Total</b>	<b>158.82</b>	<b>984.84</b>

### Note: 13 - Loans - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Unsecured, Considered good		
Loan	134.18	-
<b>Total</b>	<b>134.18</b>	<b>-</b>

### Note: 14 - Other financial assets - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advance given to suppliers recoverable	19.55	19.55
Less : Allowances for doubtful advance	-	(8.00)
Advances for services & expenses recoverable	311.61	294.09
<b>Total</b>	<b>331.16</b>	<b>305.64</b>

### Note: 15 - Other current assets

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Advances to suppliers	4.56	1.00
Advances for services & expenses	4.52	21.99
Advance to employee	0.48	0.58
Prepaid Expenses	8.19	9.86
Subsidies/ incentives receivable from central/ state government	704.18	603.03
Balances with/ Receivable from Statutory/ Government Authorities	27.21	64.68
<b>Total</b>	<b>749.14</b>	<b>701.14</b>

## Notes to Consolidated Financial Statements (Contd.)

### Note: 16 - Equity share capital

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Authorised</b>		
22,27,00,000 (22,27,00,000 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,227.00	2,227.00
	<b>2,227.00</b>	<b>2,227.00</b>
<b>Issued</b>		
22,27,00,000 (22,27,00,000 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>
<b>Subscribed and paid up</b>		
22,27,00,000 (22,27,00,000 as at 31st March 2019) Equity Shares of ₹ 1/- each fully paid up	2,221.73	2,221.73
	<b>2,221.73</b>	<b>2,221.73</b>

#### Terms/Rights attached to the Equity Shares & Notes

The company has only one class of equity shares having par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March, 2020	31 March, 2019
	No. of shares	No. of shares
At the beginning of the year	222,172,990	222,172,990
Issued during the year		
<b>Outstanding at the end of the year</b>	<b>222,172,990</b>	<b>222,172,990</b>

#### Terms of issue of shares other than cash

Pursuant to the Scheme of Arrangement ("the scheme") between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015 with effect from 1st April, 2014 being the appointed date, the company had issued and allotted 22,21,72,990 Equity Shares to the shareholders of SFCL in ratio of 1 (one) Equity share of ₹ 1/- each of the Company as fully paid-up for every 1 (one) Equity Share of ₹ 1/- each held by them in SFCL.

#### Details of Shareholders holding more than 5% shares in the company

Particulars	31 March, 2020	31 March, 2019
	No. of Shares % holding	No. of Shares % holding
Equity Shares of ₹ 1/- each fully paid-up		
Smt Santosh Bhajanka	15049500 6.77%	15049500 6.77%
Shri Sanjay Agarwal	14212976 6.40%	14212976 6.40%
Smt Divya Agarwal	14488750 6.52%	14488750 6.52%
Shri Sajjan Bhajanka	11234493 5.06%	11234493 5.06%
Shri Brij Bhushan Agarwal	- -	22846012 10.28%
Shri Anurag Chowdhary	11196575 5.04%	11196575 5.04%
Subham Buildwell Pvt. Ltd.	30885630 13.90%	- -
Brijdham Merchants Pvt. Ltd.	18231990 8.21%	- -

## Notes to Consolidated Financial Statements (Contd.)

### Note: 17 - Other equity

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Capital reserves	7,227.80	7,227.80
Retained earnings	5,706.53	5,529.35
<b>Total</b>	<b>12,934.33</b>	<b>12,757.15</b>

#### (i) Capital reserves

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Opening balance	7,227.80	7,227.80
Addition/(Deduction) during the year	-	-
<b>Closing balance</b>	<b>7,227.80</b>	<b>7,227.80</b>

The Company had acquired this capital reserve during amalgamation/acquisition in the prior years.

#### (ii) Retained earnings

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Opening balance	5,529.34	3,867.56
Net profit/(loss) for the year	171.94	1,667.30
Other comprehensive income		
- Remeasurements of post-employment benefit obligation, net of tax	5.24	(5.51)
<b>Closing balance</b>	<b>5,706.53</b>	<b>5,529.35</b>

### Note: 18 - Borrowings - Non-current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Other Loans (Secured)		
Hire Purchase from Bank	190.55	258.71
Less: Current maturities of long term borrowing	73.55	68.17
<b>Total</b>	<b>117.00</b>	<b>190.54</b>

#### Terms of Loans

18.1 Hire Purchase Finance is secured by hypothecation of respective vehicles and is repayable monthly within three years.

18.2 The Company does not have any defaults in repayment of loans & interest at reporting date.

### Note: 19 - Lease Liability

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Lease Liability	43.31	-
<b>Total</b>	<b>43.31</b>	<b>-</b>

### Note: 20 - Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Deferred tax asset</b>		
Expenditure allowable for tax purposes upon payment	17.02	23.98
<b>Total deferred tax asset</b>	<b>17.02</b>	<b>23.98</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment : impact of difference between tax depreciation and depreciation/amortization charged	100.99	92.47
<b>Total deferred tax liabilities</b>	<b>100.99</b>	<b>92.47</b>
<b>Net deferred tax (asset)/liabilities</b>	<b>83.97</b>	<b>68.49</b>

### Note: 21 - Employee benefit obligations

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for Gratuity	47.96	57.31
<b>Total</b>	<b>47.96</b>	<b>57.31</b>

### Note: 22 - Borrowings

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Working Capital Facilities (Secured)		
-Cash Credit from a bank	4.85	81.31
<b>Total</b>	<b>4.85</b>	<b>81.31</b>

Working Capital facility of ₹ 4.85 Lakhs (31st March, 2019 ₹ 81.31 Lakhs) from bank is secured by first charge on the current assets and second charge on the property, plant and equipment of the company's Ferro Alloy Plant at Byrnihat, Meghalaya.



## Notes to Consolidated Financial Statements (Contd.)

### Note: 23 - Trade Payable

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	68.71	189.38
<b>Total</b>	<b>68.71</b>	<b>189.38</b>

### Note: 24 - Other financial liabilities (including lease liability)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Current maturities of long term borrowings	73.55	68.17
Salary & bonus payable to employees	34.03	50.57
Lease Liability	2.62	-
Other liabilities	947.50	428.02
<b>Total</b>	<b>1,057.70</b>	<b>546.76</b>

### Note: 25 - Other current liabilities

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Other Payables</b>		
-Statutory Liabilities	139.67	225.07
-Advances taken from customer	14.87	50.81
<b>Total</b>	<b>154.54</b>	<b>275.88</b>

### Note: 26 - Employee benefit obligations - current

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for Leave encashment obligations	11.56	10.95
Provision for Gratuity	8.10	14.08
<b>Total</b>	<b>19.66</b>	<b>25.03</b>

### Note: 27 - Current tax liabilities (net)

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Provision for taxation (net of advance tax of ₹ Nil as at 31st March 2020 and ₹ 202.34 Lakhs as at 31st March 2019)	-	155.45
<b>Total</b>	<b>-</b>	<b>155.45</b>

### Note: 28 - Revenue from operations

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Sale of products	8,725.48	13,201.79
Other operating revenues	-	129.64
<b>Total</b>	<b>8,725.48</b>	<b>13,331.43</b>

### Note: 29 - Other income

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Miscellaneous receipts	23.89	-
Interest income	164.56	112.35
<b>Total</b>	<b>188.45</b>	<b>112.35</b>

### Note: 30 - Cost of materials consumed

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Inventory at the beginning of the year	761.39	1,305.51
Add: Purchases	3,148.59	3,759.95
	<b>3,909.98</b>	<b>5,065.46</b>
Less: Inventory at the end of the year	993.58	761.39
<b>Total</b>	<b>2,916.40</b>	<b>4,304.07</b>

### Note: 31 - (Increase)/Decrease in Inventories

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Inventory at the beginning of the year	591.96	116.40
Inventory at the end of the year	284.27	591.96
<b>Total</b>	<b>307.69</b>	<b>(475.56)</b>

## Notes to Consolidated Financial Statements (Contd.)

### Note: 32 - Employee benefit expense

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Salaries & Wages	442.17	596.12
Contribution to Provident Fund and other Funds	19.22	28.78
Staff Welfare Expenses	17.13	23.54
<b>Total</b>	<b>478.52</b>	<b>648.44</b>

### Note: 33 - Finance costs

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Interest expenses	21.39	102.20
Other Finance Costs	18.75	27.31
<b>Total</b>	<b>40.14</b>	<b>129.51</b>

### Note: 34 - Depreciation and Amortisation

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Depreciation on Property, Plant & Equipment	224.52	275.92
Amortisation on leased assets	4.03	-
Amortisation on intangible assets	0.53	0.29
<b>Total</b>	<b>229.08</b>	<b>276.21</b>

### Note: 35 - Other expenses

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Consumption of Stores & Spares	330.71	628.07
Packing Materials	47.36	74.86
Power & Fuel	4,098.29	5,591.36
Repairs & Maintenance		
- Building	7.96	24.39
- Plant & Machinery	41.43	77.16
- Others	1.07	19.12
Insurance	29.10	43.49
Rent, Rates & Taxes	12.67	42.74
Travelling and Conveyance	6.93	10.53
Heavy Vehicle / Equipment Running Expenses	37.83	57.05
Corporate Social Responsibility (Refer note 47)	26.40	17.52
Miscellaneous Expenses	65.53	99.64
Outward Freight Charges	245.36	392.98
Commission, Discount & Incentives on Sale	3.54	2.82
<b>Total</b>	<b>4,954.18</b>	<b>7,081.73</b>

### Note: 36 - Tax expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
<b>a) Current tax</b>		
Current tax on profits for the year	3.20	438.53
<b>Total current tax expense</b>	<b>3.20</b>	<b>438.53</b>
<b>b) Deferred tax</b>		
Deferred tax expense	13.53	(7.16)
<b>Total deferred tax expense</b>	<b>13.53</b>	<b>(7.16)</b>
<b>c) Income tax for earlier years</b>		
Income tax expense for earlier years	(25.39)	-
<b>Total Income tax expense</b>	<b>(25.39)</b>	<b>-</b>
<b>Income tax expenses</b>	<b>(8.66)</b>	<b>431.37</b>

## Notes to Consolidated Financial Statements (Contd.)

### 36.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Profit from continuing operations before income tax expense	(12.08)	1,479.38
<b>Tax at the Indian tax rate of 25.17%</b>	-	<b>430.80</b>
Items not deductible/taxable under tax	6.24	7.73
Additional additions/deductions under provisions of the income tax act	(3.04)	-
Tax credit of earlier years reversed	13.53	(7.16)
Other adjustments	(25.39)	-
<b>Income tax expense</b>	<b>(8.66)</b>	<b>431.37</b>

The tax rate used for the financial year 2018-19 and 2019-20 reconciliation above is the Corporate Tax Rate of 29.12% (25% + Surcharge 12% + Education Cess 4%) and 25.17% (22% + Surcharge 10% + Education Cess 4%) respectively payable on taxable profit under Income Tax Act, 1961.

### Note: 37 - Earnings per share

#### (a) Basic earnings per share

Particulars	31 March, 2020	31 March, 2019
Basic earnings per share attributable to the equity holders of the Company (₹ per Share)	0.08	0.75

#### (b) Diluted earnings per share

Particulars	31 March, 2020	31 March, 2019
Diluted earnings per share attributable to the equity holders of the Company (₹ per Share)	0.08	0.75

#### (c) Reconciliations of earnings used in calculating earnings per share

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
<b>Basic earnings per share</b>		
Profit attributable to equity holders of the company used in calculating basis earnings per share	171.94	1,667.30
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	171.94	1,667.30

#### (d) Weighted average number of equity shares used as the denominator

Particulars	31 March, 2020	31 March, 2019
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	222,172,990	222,172,990
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	222,172,990	222,172,990

### Note: 38 - Employees benefit obligations

#### (i) Leave obligations

Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. Hence, the entire amount of the provision is presented under current. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Leave obligations not expected to be settled within the next 12 months	10.26	9.12

#### (ii) Post-employment obligations

##### a) Gratuity

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972.

## Notes to Consolidated Financial Statements (Contd.)

### Note: 38 - Employees benefit obligations (Contd.)

(iii) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in Lakhs)	
Particulars	Net Amount
<b>1st April 2018</b>	<b>52.06</b>
Current service cost	10.06
Interest expense/(income)	3.93
<b>Total amount recognised in profit or loss</b>	<b>13.99</b>
<b>Remeasurements</b>	
Return on plan assets, excluding amounts included in interest expense/(income)	-
Actuarial (gain)/loss from change in demographic assumptions	-
Actuarial (gain)/loss from change in financial assumptions	0.46
Actuarial (gain)/loss from unexpected experience	6.90
<b>Total amount recognised in other comprehensive income</b>	<b>7.36</b>
Employer contributions/ premium paid	-
Benefit payments	(2.01)
Disposal/ Transfer of obligation	-
<b>31st March 2019</b>	<b>71.40</b>

(₹ in Lakhs)	
Particulars	Net Amount
<b>1st April 2019</b>	<b>71.40</b>
Current service cost	6.86
Interest expense/(income)	4.34
<b>Total amount recognised in profit or loss</b>	<b>11.20</b>
<b>Remeasurements</b>	
Return on plan assets, excluding amounts included in interest expense/(income)	-
Actuarial (gain)/loss from change in demographic assumptions	-
Actuarial (gain)/loss from change in financial assumptions	3.43
Actuarial (gain)/loss from unexpected experience	(11.20)
<b>Total amount recognised in other comprehensive income</b>	<b>(7.77)</b>
Employer contributions/ premium paid	-
Benefit payments	(18.76)
Disposal/ Transfer of Asset	-
<b>31st March 2020</b>	<b>56.06</b>

#### (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

(₹ in Lakhs)		
Particulars	31 March, 2020	31 March, 2019
Discount rate	7.00%	7.70%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1% to 8%	1% to 8%
Mortality rate	IALM (2006-08) Table	IALM (2006-08) Table

#### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	(₹ in Lakhs)			
	Impact on defined benefit obligation			
	31 March, 2020		31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 1%)	51.30	61.59	65.78	77.94
Salary growth rate (-/+ 1%)	61.77	51.08	78.14	65.54
Withdrawal rate (-/+ 1%)	56.40	55.67	72.15	70.53

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## Notes to Consolidated Financial Statements (Contd.)

### Note: 38 - Employees benefit obligations (Contd.)

#### (vi) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

##### Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

##### Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

##### Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

#### (vii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31st March 2021 are ₹ 19.97 Lakhs.

The weighted average duration of the defined benefit obligation is 5.29 years (31st March 2019: 4.92 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	₹ in Lakhs		
	Less than a year	Between 2- 5 years	Over 5 years
<b>31st March 2020</b>			
Defined benefit obligation (gratuity)	8.10	12.64	21.02
<b>Total</b>	<b>8.10</b>	<b>12.64</b>	<b>21.02</b>
<b>31st March 2019</b>			
Defined benefit obligation (gratuity)	14.08	7.88	17.77
<b>Total</b>	<b>14.08</b>	<b>7.88</b>	<b>17.77</b>

### Note: 39 - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	₹ in Lakhs	
	31 March, 2020	31 March, 2019
<b>Current</b>		
<b>Financial assets</b>		
<i>First charge</i>		
Inventory	1,667.42	1,766.17
Trade receivables	3,844.12	2,791.67
Loans	134.18	-
Cash & Cash Equivalents	158.82	984.84
Other current assets	1,080.31	1,006.77
<b>Total current assets pledged as security</b>	<b>6,884.85</b>	<b>6,549.46</b>
<b>Non-current</b>		
<i>Second charge</i>		
Property, plant and equipment, intangible assets	1,734.55	1,993.63
<b>Total non-currents assets pledged as security</b>	<b>1,734.55</b>	<b>1,993.63</b>
<b>Total assets pledged as security</b>	<b>8,619.40</b>	<b>8,543.09</b>

## Notes to Consolidated Financial Statements (Contd.)

### Note: 40 - Financial instruments by category

(₹ in Lakhs)

Particulars	31 March, 2020			31 March, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Security Deposits	-	-	56.21	-	-	55.71
Loan	-	-	134.18	-	-	-
Advance given to suppliers recoverable	-	-	19.55	-	-	11.55
Advance given for services and expenses recoverable	-	-	360.87	-	-	341.84
Trade Receivable	-	-	3,844.12	-	-	2,791.67
Cash and cash equivalents	-	-	158.82	-	-	984.84
	-	-	<b>4,573.75</b>	-	-	<b>4,185.61</b>
<b>Financial liabilities</b>						
Borrowing	-	-	121.85	-	-	340.03
Trade Payable	-	-	68.71	-	-	189.38
Lease Liability	-	-	43.31	-	-	-
Salary & Bonus Payable to Employees	-	-	34.03	-	-	50.57
Other Liabilities	-	-	1,023.67	-	-	428.02
	-	-	<b>1,291.57</b>	-	-	<b>1,008.00</b>

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments is determined using discounted cash flow analysis.

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

(₹ in Lakhs)

Particulars	31 March, 2020		31 March, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security Deposits	56.21	56.21	55.71	55.71
<b>Total financial assets</b>	<b>56.21</b>	<b>56.21</b>	<b>55.71</b>	<b>55.71</b>
<b>Financial liabilities</b>				
Borrowings	190.55	190.55	258.72	258.72
Lease Liability	43.31	43.31	-	-
<b>Total financial liabilities</b>	<b>233.86</b>	<b>233.86</b>	<b>258.72</b>	<b>258.72</b>

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

The fair values for financial instruments were calculated based on cash flows discounted using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

## Notes to Consolidated Financial Statements (Contd.)

### Note: 41 - Capital management

#### (a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares .

The amount mentioned under total equity in balance sheet is considered as Capital.

### Note: 42 - Financial risk management

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Aging analysis	Diversification of customer base
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities
Market risk – interest rate	Long-term borrowings at fixed rates	Sensitivity analysis	Portfolio of loan contains fixed interest loans from financial institutions

#### (A) 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) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

##### i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of balance sheet date is given below. The age analysis have been considered from the due date:

Particulars	(₹ in Lakhs)				
	Not due	Less than 6 months	6 months - 1 year	> 1 year	Total
Trade receivable as on 31st March, 2020	925.59	2,777.25	33.16	108.12	3,844.12
Trade receivable as on 31st March, 2019	1,473.79	1,189.59	4.28	124.01	2,791.67

##### ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. For banks and financial institutions, only high rated banks/institutions are accepted.

Financial assets are considered to be of good quality and there is no significant credit risk.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March 2020 and 31st March 2019 is the carrying amounts as illustrated in Note No. 40.

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flows projection and level of liquid assets necessary to meet these on a regular basis. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

## Notes to Consolidated Financial Statements (Contd.)

### Note: 42 - Financial risk management (Contd.)

#### (i) Financing arrangements

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

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Floating Rate		
- Expiring within one year (bank overdraft and other facilities)	2,995.15	2,918.69
	<b>2,995.15</b>	<b>2,918.69</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### Contractual maturities of financial liabilities - 31st March, 2020

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	68.71	-	-	-	68.71
Borrowings	78.40	79.35	37.65	-	195.40
Interest payable on above borrowings	12.03	6.22	1.22	-	19.47
Lease Liabilities	6.75	13.50	20.25	33.74	74.23
Other financial liabilities	984.15	-	-	-	984.15
<b>Total financial liabilities</b>	<b>1,150.04</b>	<b>99.07</b>	<b>59.12</b>	<b>33.74</b>	<b>1,341.97</b>

#### Contractual maturities of financial liabilities - 31st March, 2019

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	189.38	-	-	-	189.38
Borrowings	149.48	73.55	117.00	-	340.03
Interest payable on above borrowings	17.40	12.03	7.45	-	36.88
Other financial liabilities	478.59	-	-	-	478.59
<b>Total financial liabilities</b>	<b>834.85</b>	<b>85.58</b>	<b>124.45</b>	<b>-</b>	<b>1,044.88</b>

#### (C) Market risk

##### (i) Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Further foreign exchange risk also arises from future cash flow against foreign currency loan. The risk is measured through a forecast of highly probable foreign currency cash flows.

#### Foreign currency risk exposure

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

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Financial assets	-	-
Financial liabilities	-	10.38
<b>Net exposure to foreign currency risk</b>	<b>-</b>	<b>10.38</b>

#### Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31 March, 2020	31 March, 2019
INR appreciates by 10% (2019: 10%)	-	1.04
INR depreciates by 10% (2019: 10%)	-	(1.04)

\* Holding all other variables constant



## Notes to Consolidated Financial Statements (Contd.)

### Note: 42 - Financial risk management (Contd.)

#### (ii) 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's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2020, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (a) Interest rate risk exposure

##### On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Variable rate borrowings	4.85	81.31
Fixed rate borrowings	190.55	258.72
<b>Total borrowings</b>	<b>195.40</b>	<b>340.03</b>

#### (b) Sensitivity

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

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	31 March, 2020	31 March, 2019
Interest expense rates – increase by 50 basis points (2018: 50 bps)*	(0.02)	(0.41)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)*	0.02	0.41

\* Holding all other variables constant

### Note: 43 - Related Party Disclosures

#### I. Name of the related parties and related party relationship:

Sl. No.	Names of the related parties where control exists	Nature of relationship
A.	Star Cement Limited (Formerly Cement Manufacturing Company Limited) (SCL)	Enterprise owned/influenced by KMP
	Meghalaya Power Limited (MPL)	Associate
B.	<b>Key Management Personnel</b>	
	<b>Name of the Related Parties</b>	<b>Nature of relationship</b>
	Mr. M.V.K.Nageswara Rao	Chief Executive Officer (upto 30.12.2019)
	Mr. Uday Bahadur Chetri	Chief Financial Officer (upto 30.04.2019)
	Mr. Kamlesh Pathak	Chief Financial Officer (w.e.f. 01.10.2019)
	Ms. Neha Agarwal	Company Secretary

#### II. Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March 2020 and 31st March 2019 are given hereunder:

(₹ in Lakhs)

Sl. No.	Type of Transactions	Associate		Key Management Personnel		Enterprise Owned/ Influences by KMP	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	<b>Purchase Transaction</b>						
	Meghalaya Power Limited	-	1,598.14	-	-	-	-
2	<b>Sale Transaction</b>						
	Star Cement Limited	-	-	-	-	-	18.47
3	<b>Sale of Capital Asset</b>						
	Star Cement Limited	-	-	-	-	55.89	-
4	<b>Remuneration Paid</b>						
	Mr. M.V.K.Nageswara Rao	-	-	27.71	30.27	-	-
	Mr. Kamlesh Pathak	-	-	3.47	-	-	-
	Mr. Uday Bahadur Chetri	-	-	1.10	7.64	-	-
	Ms. Neha Agarwal	-	-	8.09	5.25	-	-
5	<b>Outstanding Balances as at 31st March, 2020:</b>						
6	<b>Investment</b>						
	Meghalaya Power Limited	3,373.50	3,373.50	-	-	-	-

## Notes to Consolidated Financial Statements (Contd.)

### Note: 43 - Related Party Disclosures (Contd.)

#### III. Key Management Personnel Compensation

(₹ in Lakhs)

Particulars	31 March, 2020	31 March, 2019
Short-term employee benefits	40.37	43.16
Post-employment benefits*	-	-
Long-term employee benefits*	-	-
<b>Total compensation</b>	<b>40.37</b>	<b>43.16</b>

\* Post-employment benefits and long-term employee benefits are determined on the basis of actuarial valuation for the company as a whole and hence segregation is not available.

### Note: 44 - Segment Reporting

(₹ in Lakhs)

Sl. No.	Particulars	2019-20				2018-19			
		Ferro Alloys	Power	Others	Total	Ferro Alloys	Power	Others	Total
<b>a</b>	<b>External sales</b>	<b>8,725.48</b>	-	-	<b>8,725.48</b>	<b>13,313.84</b>	<b>17.59</b>	-	<b>13,331.43</b>
	Inter-segment sales	-	-	-	-	-	1,516.77	-	1,516.77
	Elimination	-	-	-	-	-	(1,516.77)	-	(1,516.77)
	Total Revenue (Gross)	8,725.48	-	-	8,725.48	13,313.84	17.59	-	13,331.43
<b>b</b>	<b>Segment Results</b>	<b>112.50</b>	<b>(128.94)</b>	-	<b>(16.44)</b>	<b>1,748.07</b>	<b>29.56</b>	-	<b>1,777.63</b>
	Unallocated Income/(-) Expenses (Net of unallocated Income/(-) Expenses) (Including Exceptional Items)	-	-	(44.50)	(44.50)	-	-	168.75	168.75
	Operating Profit/Loss (-)	-	-	-	28.06	-	-	-	1,608.88
	Finance Cost (Net)	-	-	40.14	40.14	-	-	129.51	129.51
	Provision for Taxation	-	-	-	3.20	-	-	-	438.53
	Deferred Tax charge(-) / Credit	-	-	-	13.53	-	-	-	(7.16)
	Income Tax for earlier years	-	-	-	(25.39)	-	-	-	-
	Total Profit /(-) Loss after tax	-	-	-	(3.42)	-	-	-	1,048.01
<b>c</b>	<b>Other Information</b>								
i	Segment Assets	8,672.51	969.32	-	9,641.82	9,841.49	1,046.30	-	10,887.78
	Unallocated Corporate/Other Assets	-	-	3,475.83	3,475.83	-	-	2,219.93	2,219.93
	<b>Total</b>	<b>8,672.51</b>	<b>969.32</b>	<b>3,475.83</b>	<b>13,117.66</b>	<b>9,841.49</b>	<b>1,046.30</b>	<b>2,219.93</b>	<b>13,107.72</b>
ii	Segment Liabilities	1,089.43	117.96	-	1,207.39	806.73	137.11	-	943.84
	Unallocated Corporate/ Other Liabilities	-	-	390.30	390.30	-	-	646.31	646.31
	<b>Total</b>	<b>1,089.43</b>	<b>117.96</b>	<b>390.30</b>	<b>1,597.69</b>	<b>806.73</b>	<b>137.11</b>	<b>646.31</b>	<b>1,590.15</b>
iii	Capital Expenditure	(29.99)	-	-	(29.99)	(57.83)	-	-	(57.83)
iv	Depreciation/Amortisation	173.83	55.25	-	229.08	209.33	66.88	-	276.21

#### Notes :

- Business Segments: The operating segments have been identified which are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM) i.e. board of directors. The identified operating segments are following-
  - Ferro Alloys : Manufacturing of Ferro Alloy
  - Power : Generation of Power
- Four customers of the entity accounts for approximately 61.58% of the revenue for the year ended 31st March 2020 (Four customers as on 31st March 2019 : 69.24%)
- Geographical Segments: The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

### Note: 45 - Contingent Liabilities & Commitments

(₹ in Lakhs)

Sl. No.	Particulars	31 March, 2020	31 March, 2019
(i)	Claims against the company not acknowledged as debts- Excise / VAT / Income Tax matters etc.	2,710.88	859.85

- Supreme Court vide its Judgement dated 22.04.2020 in the matter of M/s V.V.F Limited & others versus the Union of India has reversed the Judgement of the Hon'ble Supreme Court in the matter of M/s V.V.F Limited & others Vs the Union of India based on which Shillong Bench and Guwahati Bench of Hon'ble High Court of Guwahati has passed the order in favour of the Company and Company has claimed refund of 50% of differential Excise duty against furnishing of surety bond. The Company is preferring an appeal before the appropriate Forum against the above judgement. It is to be noted that misuse of benefit granted by some unscrupulous assessee cannot be made a ground to deny the benefits to genuine manufacturers and cannot be termed as in public interest. It can also not be said that the subsequent notifications are only clarificatory in nature and are not hit by doctrine of promissory estoppel as denial of promised benefits will hurt the genuine manufacturer who have changed their position on the basis of promise by the state. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood of reversal of the said judgement and appeal will be allowed and hence no reversal of income amounting to ₹ 1,720.30 Lakhs which was previously booked in the books of accounts is required.

## Notes to Consolidated Financial Statements (Contd.)

### Note: 45 - Contingent Liabilities & Commitments (Contd.)

- (b) On the basis of the direction of the High Court of Meghalaya dated 30.08.2018 following the decision of the Supreme Court dated 10.11.2017 passed in SRD Nutrients Pvt. Ltd. Vs. Commissioner of Central Excise, Guwahati, Company has received a refund of Education Cess and Secondary & Higher Education Cess amounting to ₹ 112.04 Lakhs in previous years. However, the Apex court vide its order dated 06.12.2019 have taken a contrary view in the matter of M/S Unicorn Industries Vs Union of India and Others. Based on the later judgement a demand letter was raised by the department to refund back the amount granted. As the order dated 30.08.2018, has attained its finality and the refund was granted accordingly, the Company has preferred an appeal before the appropriate Forum against the above demand letter. Meghalaya High Court has stayed the said demand vide its order dated 16.06.2020. Based on the legal advice obtained by the Company from External Counsel as well as its own assessment there is every likelihood that the said demand will be quashed and therefore no provision have been taken in the books of account.
- (c) In respect of demand notice dated 19.02.2020 received by the Company from Director of Mineral Resources, Meghalaya, for payment of royalty, MEPRF, VAT/GST for ₹ 1,738.99 Lakhs in pursuance to the National Green Tribunal (NGT) order dated 17.01.2020 passed in O.A. No. 110(TCH)/2012 for alleged illegal coal procurement. By passing the said order NGT has accepted the Recommendation of the 5th Interim Report of the Independent Committee set up by NGT, which has suggested imposition of penalty on Cement Companies and Thermal Power Plants in Meghalaya.

The Company has not purchased any illegal coal and has complied with all disclosure requirements of the various Government Departments. The Report of NGT Committee has been founded on the basis of assumptions and views of the Committee and not on hard facts. Further to note that the Company has neither been issued a show-cause nor any opportunity of being heard was given to the Company before submitting the Interim reports by the Independent Committee to NGT. Even NGT has not served any notice on the Company before passing the impugned order dated 17.01.2020 which is clear violation of principles of natural justice.

The Company backed by the legal opinions, believes that it has a good case in the matter as the said order was issued based on certain hypothetical assumptions and views and not on hard facts. No opportunity of being heard was provided to the Company either by NGT committee or by NGT itself which passed order without going into the merits & facts and accepted the recommendations of 5th Internal Report. Therefore, there is every likelihood of the Demand Notice being set aside. The Company is preferring an appeal before appropriate forum and accordingly, no provisions has been made in the accounts.

### Note: 46 - Payment to Auditor

		(₹ in Lakhs)	
Nature of Expenditure		2019-20	2018-19
<b>As Auditor</b>			
- Statutory Audit Fees		1.80	1.80
-Tax Audit Fees		0.25	0.25
<b>In Other Capacity</b>			
Certification Fees and Other Services		1.56	0.65
<b>Total</b>		<b>3.61</b>	<b>2.70</b>

### Note: 47 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting, education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects. A CSR Committee has been formed by Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the company during the year is ₹ 25.88 Lakhs ( 31st March 2019 : ₹ 17.15 Lakhs )
- b) Amount spent during the year :

		(₹ in Lakhs)	
Sl. No.	Nature of Expenditure	2019-20	2018-19
(i)	Education	26.40	7.50
(ii)	Animal Welfare	-	10.02
<b>Total</b>		<b>26.40</b>	<b>17.52</b>

- 48 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the company.
- 49 The operations of Company was impacted, due to temporary shutdown of the plant following nationwide lockdown announced by the Government of India in view of COVID-19, pandemic. The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its property, plant and equipment, loans and other assets, intangible assets, right of use assets, investments, inventories and trade receivables. Based on current indicators of future economic conditions, it is expected to recover the carrying amount of these assets. The management does not foresee any risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. It will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

## Notes to Consolidated Financial Statements (Contd.)

- 50 The consolidated financial statements are approved by the Audit Committee at its meeting held on 25th June, 2020 and by the Board of Directors on the same date.
- 51 Notes to the consolidated financial statements comprises of information relevant for the group.

For **A K S D & Associates**  
(Formerly Kailash B Goel & Co.)  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No : 057329

Place : Kolkata  
Date : 25th June, 2020

**Kamlesh Pathak**  
Chief Financial Officer

**Neha Agarwal**  
Company Secretary

For and on behalf of the Board of Directors

**Nagraj Tater**  
Director  
DIN : 00266072

**Aditya Vimalkumar Agrawal**  
Director  
DIN : 03330313

## SHYAM CENTURY FERROUS LIMITED

CIN: L27310ML2011PLC008578

Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210  
Corporate Office: Satyam Towers, Unit No. 9B, 1st Floor, 3 Alipore Road, Kolkata - 700027  
Tel: 03655 – 278215/16/18, Fax: 03655-278217, Email: investors@shyamcenturyferrous.com  
Website: www.shyamcenturyferrous.com

### NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the **NINTH ANNUAL GENERAL MEETING** of the Members of **Shyam Century Ferrous Limited** will be held on Tuesday, 29th September, 2020 at 04:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2020 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Aditya Vimalkumar Agrawal (DIN:03330313), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

3. **Appointment of Mr. Pramod Kumar Shah as an Independent 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, 161 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Pramod Kumar Shah (DIN: 00343256) who was appointed as an Additional Director in the capacity of Independent Director, who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Pramod Kumar Shah's candidature for the office of Director and as such who holds office upto the date of Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing from 1st April, 2020 upto 31st March, 2025;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. **Ratification of Remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2021**

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(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to ratify and confirm the remuneration of ₹50,000 (Rupees Fifty Thousand only) plus applicable taxes and re-imbursment of out of pocket expenses incurred, if any to be paid to M/s. Sanjib Das & Associates, Cost Accountants (Firm Registration No. 100751), re-appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2021;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the

Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹50 crores in a Financial Year entered or to be entered into by the Company with Meghalaya Power Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2020-21;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

6. **Approval for Material Related Party Transactions**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in

force) ("Listing Regulations"), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the arrangements/ transactions/ contracts (including any other transfer of resources, services or obligations) upto an amount of ₹50 crores in a Financial Year entered or to be entered into by the Company with Star Cement Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting, for financial years commencing from financial year 2020-21;

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related parties."

Registered Office:  
Vill: Lumshnong,  
P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

Date: 11th August, 2020  
Place: Kolkata

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

## NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto. The Board of Directors of the Company at its meeting held on 11th August, 2020 considered that the special businesses as specified in the Notice convening the meeting under Item Nos. 3 to 6 being considered unavoidable, be transacted at the Ninth Annual General Meeting.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Tuesday, 29th September, 2020 at 04:00 P.M. (IST). The deemed venue for the Ninth Annual General Meeting shall be the Registered office of the Company.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM venue are not annexed to this Notice.
4. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csmdshah@gmail.com with a copy marked to evoting@nsdl.co.in
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Details as required in Regulations 26(4) and 36(3) of the SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and under their signatures to M/s. Maheshwari Datamatics Pvt. Ltd., 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers in case the shares are held by them in physical form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) to the Company/ RTA for registration of transfer of shares, for securities market transactions and off-market/ private transactions involving transfer of shares in physical form. In this connection, the Transferees of Company's shares are requested to submit a copy of their PAN card along with the Transfer Deed. Members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA.
9. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form are advised to file nomination in prescribed Form SH-13 with the RTA. Nomination form can be downloaded from the Company's website: www.shyamcenturyferrous.com under the section 'Investors'. In respect of shares held in Electronic/Demat form, Members may please contact their respective Depository Participants.
10. In terms of SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in dematerialized form with effect from 01st April, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form. With regard to the same, the Company's Registrar and Share Transfer Agent has already sent three reminder letters to the shareholders during the Financial year 2018-19, for updating their PAN and Bank Account details and for dematerializing their physical holdings of securities. A guidance note on procedure for dematerialization of shares held in physical form is also placed on the website of the Company under 'Investors' section. Three reminder letters were also sent to the shareholders to claim their unclaimed shares, if any.
11. Members seeking any information with regard to the financial statements or any other matter to be placed at the 09th AGM, can send the same at Company's email address at investors@shyamcenturyferrous.com from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 20th September, 2020 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
12. Electronic copies of the documents referred to in the Notice of the 09th AGM of the Company and the Explanatory Statement

shall be available for inspection in the "Investors" section of the website of the Company at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

13. Members may note that in terms of Notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, no further ratification of appointment of Auditors would be required by the Members at the every interim Annual General Meeting. Hence, said item has not been included in the notice convening the Annual General Meeting.
14. In compliance with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report for 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and the Annual Report will also be available on the Company's website at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited for their download. The Notice will also be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - For Members whose Email ID's are not registered :-
    - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as Aadhar Card/ latest Electricity Bill/ latest Telephone/Mobile Bill/ Driving License/ Passport/ Voter ID Card/ Bank Passbook particulars) at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or to M/s. Maheswari Datamatics Pvt. Ltd. at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) or members may send the "E-communication registration form" enclosed with this Notice to the Company or to the RTA.
    - b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates and self-attested copies of the PAN for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for assistance in this regard.
16. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive)**.
17. During the 09th AGM, Members may access the scanned copies of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Memorandum and Articles of Association of the Company, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
18. In compliance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting and e-voting during the AGM to all the Members to enable them to cast their vote electronically in respect of business to be transacted at the Meeting, for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members holding shares either in physical form or in dematerialized form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
19. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Tuesday, 22nd September, 2020** are entitled to vote on the Resolutions set forth in this Notice and a person who is not a Member as on cut-off date should treat this notice for information purpose only. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
20. The Companies (Management and Administration) Rules, 2014, as amended provides that the electronic voting period shall remain open for atleast three days and shall close at 5.00 p.m. (IST) on the date preceding the date of the AGM. Accordingly, the remote e-voting period will commence at **9.00 a.m. (IST) on Friday, 25th September, 2020 and will end at 5.00 p.m. (IST) on Monday, 28th September, 2020**. The Company has appointed Md. Shah Nawaz, Practising Company Secretary (Membership no. ACS 21427 and Certificate of Practice no. 15076), to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting.
21. The Scrutinizer shall after the conclusion of Annual General Meeting, first download/ the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall submit the consolidated scrutinizer's report, not later than 48 hours of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e., [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL i.e. [www.nsdl.co.in](http://www.nsdl.co.in) immediately after the results are declared.



The results shall simultaneously be communicated to the Stock Exchanges.

22. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Tuesday, 29th September 2020.

23. **PROCEDURE FOR REMOTE E-VOTING**

The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for remote e-voting are as under:

**A. The process and manner for remote e-voting are as under:**

**Step 1: Log-in to NSDL e-Voting system**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
  - a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?

- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
- a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2 : Cast your vote electronically on NSDL e-Voting system.**
- i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  - ii) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  - iii) Select the 'EVEN' (E-Voting Event Number) of Shyam Century Ferrous Limited.

- iv) Now you are ready for e-voting as 'Cast Vote' page opens.
  - v) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
  - vi) Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - vii) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - viii) Corporate and Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutinizer by an e-mail at [csmdshah@gmail.com](mailto:csmdshah@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - ix) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
- B. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for Members and 'e-voting user manual' available in the downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013; Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/[pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in); Tel: 91 22 2499 4545/ 1800-222-990.
- C. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :**
1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back) along with self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as AADHAAR card / latest Electricity Bill / latest Telephone/Mobile Bill / Driving License / Passport / Voter ID Card / Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding, by email to the Company at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card and self-attested scanned copy of AADHAAR card by email to the Company at [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com) or the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
  3. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
- INSTRUCTIONS FOR MEMBERS FOR PARTICIPATING IN THE 09TH AGM THROUGH VC/OAVM ARE AS UNDER:**
- a. Members will be able to attend the 09th AGM through VC/OAVM facility through the NSDL e-Voting system at <https://www.evoting.nsdl.com> under Shareholders/ Members login by using the remote e-Voting credentials and selecting the EVEN for the Notice Company's 09th AGM. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice of the 09th AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.
  - b. Members may join the Meeting through Laptops for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
  - c. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- Members will be allowed to attend the AGM through VC / OAVM allowing participation of 1000 Members on first come, first served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding) promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. may be allowed to attend the meeting without restriction on account of First-come first-served principle.

- d. Members seeking any information with regard to the financial statements or any other matter to be placed at the 09th AGM, can send the same at Company's email address at investors@shyamcenturyferrous.com from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number on or before 20th September, 2020 by 05:00 p.m. (IST). The same will be replied by the Company suitably.
- e. Members, who would like to express their views as a speaker at the Meeting are requested to register themselves by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address investors@shyamcenturyferrous.com by 25th September, 2020 by 05:00 p.m. (IST). Only those Members who have registered themselves as a speaker shall be allowed to express their views during the 09th AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for smooth conduct of the AGM.
- f. When a registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
- g. In case of joint holders attending the Meeting, the Members whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
- h. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 09th AGM through VC/OAVM facility.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE 09TH AGM ARE AS UNDER:**

- a. Members may follow the same procedure for e-Voting during the 09th AGM as mentioned above for remote e-Voting.
- b. Only those Members, who will be present in the 09th AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 09th AGM.
- c. The Members who have cast their vote by remote e-Voting prior to the 09th AGM may also participate in the 09th AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again. If a member casts vote again, then voting done through remote e-voting shall prevail and vote cast at the Meeting shall be treated as "INVALID".
- d. The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the 09th AGM shall be as hereunder:
  - I. Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or amitv@nsdl.co.in or at telephone number :+91-22-24994360.
  - II. Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number +91-22-24994545.

Registered Office:  
Vill: Lumshnong,  
P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

Date: 11th August, 2020  
Place: Kolkata

## EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

### Item No.3

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 6th February, 2020 appointed Mr. Pramod Kumar Shah (DIN: 00343256) as an Additional Director (Category – Independent) of the Company with effect from 1st April, 2020 for a term upto 31st March, 2025, subject to regularization/approval of the shareholders at the ensuing Annual General Meeting (AGM).

In terms of Section 161(1) of the Companies Act, 2013, Mr. Pramod Kumar Shah, holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as Director, not liable to retire by rotation, subject to the approval of the shareholders. Notice under Section 160(1) of the Companies Act, 2013 along with requisite deposit have been received from a Member, signifying his intention to propose the appointment of Mr. Pramod Kumar Shah as Director of the Company.

Mr. Pramod Kumar Shahh as given his consent to act as an Independent Director of the Company and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Further as per the declaration received by the Company, Mr. Pramod Kumar Shah is not disqualified under section 164 of the Act. The directorships held by him is within the limits as prescribed under the Act and Regulation 25 of the Listing Regulations. Mr. Pramod Kumar Shah has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Pramod Kumar Shah fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company. Brief resume of proposed appointee Director, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under the Listing Regulations with the Stock Exchanges, have been provided as an Annexure to this Notice.

Mr. Pramod Kumar Shah is the fellow member of the Institute of Chartered Accountants of India and is possessing necessary expertise in finance, audit, internal audit and is qualified to be appointed in independent category.

Electronic copy of the draft letter of appointment of Mr. Pramod Kumar Shah as an Independent Director of the Company setting out the terms and conditions of appointment and notice under Section 160(1) of the Companies Act, 2013 shall be available in the Investor section of the website of the Company at [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com).

Keeping in view, the vast expertise and knowledge, the Board considers that the continued association of Mr. Pramod Kumar Shah would be of immense benefit to the Company and it is desirable to

avail services of Mr. Pramod Kumar Shah, as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Pramod Kumar Shah, as Independent Director, as an Ordinary Resolution for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Pramod Kumar Shah for his appointment, are concerned or interested, financially or otherwise, in Resolutions set out at item no. 3.

### Item No. 4:

The Board of Directors, on the recommendation of Audit Committee, has approved at their meeting held on 25th June, 2020, the re-appointment of M/s. Sanjib Das & Associates, Cost Accountants (Firm Registration No. 100751) as the Cost Auditors of the Company to conduct the Cost Audit of the Company for the Financial Year 2020-21 at a remuneration of ₹50,000/- plus applicable taxes and re-imbusement of out of pocket expenses incurred in connection with cost audit, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

### Item No. 5

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever

required. As the transaction(s) proposed to be entered into by the Company with Meghalaya Power Limited, subsidiary company, may qualify to be a Material Related Party transaction under Listing Regulations, approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

<b>Name of the Related Party</b>	Meghalaya Power Limited
<b>Nature of relationship</b>	Subsidiary of the Company
<b>Name of the Director or KMP who is related, if any</b>	Mr. Sajjan Bhajanka and Mr. Pramod Kumar Shah may be deemed to be related by virtue of being common Directors.
<b>Estimated Transaction Value</b>	₹50 crores for each Financial Year
<b>Nature, material terms and particulars of the contract or arrangement</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Any other information</b>	NIL

Except Mr. Sajjan Bhajanka and Mr. Pramod Kumar Shah, Directors of the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the shareholders.

#### Item No. 6

Pursuant to Section 188 of the Companies Act, 2013 ('the Act'), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the Members by way of ordinary resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the Members through ordinary resolution is required for all related party transactions which are material, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered to be material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by the Company are at arm's length basis and in the ordinary course of business and

approval of the Audit Committee / Board is obtained, wherever required. As the transaction(s) proposed to be entered into by the Company with Star Cement Limited, Enterprise influenced by Key Managerial Personnel (KMP), may qualify to be a Material Related Party transaction under Listing Regulations, approval of the Members by way of ordinary resolution is being sought.

The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

<b>Name of the Related Party</b>	Star Cement Limited
<b>Nature of relationship</b>	Enterprise influenced by KMP
<b>Name of the Director or KMP who is related, if any</b>	Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar, Mr. Santanu Ray and Mr. Pramod Kumar Shah may be deemed to be related by virtue of being common Directors.
<b>Estimated Transaction Value</b>	₹50 crores for each Financial Year
<b>Nature, material terms and particulars of the contract or arrangement</b>	Sale, purchase or Supply of Goods including Capital Goods or Materials and availing and rendering of any services from time to time by the Company in its ordinary course of business and on arm's length basis.
<b>Any other information</b>	NIL

Except Mr. Sajjan Bhajanka, Mrs. Plistina Dkhar, Mr. Santanu Ray and Mr. Pramod Kumar Shah none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the shareholders.

Registered Office:

Vill: Lumshnong,  
P.O.: Khaliehriat  
Dist.: East Jaintia Hills  
Meghalaya - 793210

By Order of the Board  
For **Shyam Century Ferrous Limited**

**Neha Agarwal**  
Company Secretary

Date: 11th August, 2020  
Place: Kolkata

## ANNEXURE TO ITEM NO.2 & 3 OF THE NOTICE

### Details of Director seeking appointment/ re-appointment/ any change in terms at the forthcoming Annual General Meeting

[Pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting]

<b>Name of the Director</b>	Mr. Aditya Vimalkumar Agrawal	Mr. Pramod Kumar Shah
<b>DIN</b>	03330313	00343256
<b>Age (Years)</b>	31	68
<b>Nationality</b>	Indian	Indian
<b>Qualification</b>	Commerce Graduate, MBA	Chartered Accountants
<b>Experience (years)</b>	7	37
<b>Expertise in special functional Area</b>	Administration and General Management, Industry, Accounts & Finance, Production, Technical, Logistics, Sales, Marketing, Board procedures and Governance etc.	Accounts & Finance and Audit & Internal Audit, Taxation, Risk, Board procedures, Governance etc.
<b>Date of First Appointment on the Board of the Company</b>	01.04.2015	01.04.2020
<b>Terms &amp; condition of re-appointment</b>	Non-Executive Non Independent Director, liable to retire by rotation	Independent Director for a period of 5 years; Not Liable to retire by rotation
<b>Details of remuneration sought to be paid and remuneration last drawn (₹)</b>	Not Applicable	Nil
<b>Shareholding in the Company [Equity share of face value ₹1/- each] (as at 31st March, 2020)</b>	45,00,000	Nil
<b>Relationship between the Directors inter se and other Key Managerial Person</b>	None	None
<b>No. of Board Meetings attended during the year</b>	4	Nil
<b>List of Directorship held in other Companies (excluding Foreign Company)</b>	<ol style="list-style-type: none"> <li>1. Sundaram Alloys Limited</li> <li>2. Shyam Ferro Alloys Ltd.</li> <li>3. Kecons Tradecare Pvt. Ltd.</li> <li>4. Subham Buildwell Private Limited</li> <li>5. Shyam Business Solutions Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Emami Frank Ross Limited</li> <li>2. Star Cement Limited</li> <li>3. Skipper Limited</li> <li>4. Emami Agrotech Limited</li> <li>5. Meghalaya Power Limited</li> <li>6. Skipper Plastics Limited</li> <li>7. Megha Technical and Engineers Private Limited</li> <li>8. Cuprum Bagrodia Limited</li> <li>9. Star Cement Meghalaya Limited</li> </ol>
<b>Membership/ Chairmanships of Committees of Boards of other Companies. (only Audit Committee and Stakeholders' Relationship Committee have been considered)</b>	Nil	<b>Audit Committee:</b> <b>Chairman:</b> <ol style="list-style-type: none"> <li>1. Emami Frank Ross Limited</li> <li>2. Emami Agrotech Limited</li> <li>3. Meghalaya Power Limited</li> </ol> <b>Member:</b> <ol style="list-style-type: none"> <li>1. Star Cement Limited</li> <li>2. Cuprum Bagrodia Limited</li> <li>3. Megha Technical and Engineers Private Limited</li> <li>4. Star Cement Meghalaya Limited</li> </ol> <b>Stakeholders' Relationship Committee:</b> <b>Chairman:</b> <ol style="list-style-type: none"> <li>1. Star Cement Limited</li> </ol>

## E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

To,  
**MAHESHWARI DATAMATICS PRIVATE LIMITED**  
**UNIT: Shyam Century Ferrous Limited**  
23, R N Mukherjee Road, 5th Floor,  
Kolkata - 700 001.  
Phone No. 033- 22435029/2248-2248  
Email: mdpldc@yahoo.com

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID	
Name of the First Registered Holder	
Name of the Joint Holder(s), (if any)	
Registered Address	
Email ID (to be Registered)	
Signature of the First Registered Holder	
Date:	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail ID.
2. The form is also available on the website of the Company [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com) under the "Investors" section.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail ID updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- Maheshwari Datamatics Private Limited informed as and when there is any change in the e-mail ID. Unless, the email ID given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email ID.
5. Members are requested to attach a self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as Aadhar card/latest Electricity Bill/latest Telephone/Mobile Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) along with this form.





**SHYAM CENTURY FERROUS LIMITED**

CIN : L27310ML2011PLC008578

**Regd. Office :**

Vill: Lumshnong, P.O. Khaliehriat

Dist: East Jaintia Hills

Meghalaya – 793210

Phone : +91 3655 278215/16/18

[www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

**Works :**

EPIP, Rajabagan

Dist : Ri-Bhoi, Byrnihat

Meghalaya – 793101