



Rohit Ferro-Tech Ltd.

CIN No. : L27104WB2000PLC091629

Corporate & Communication Office :

SKP HOUSE

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Works :

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(Unit - II) L Kalinganagar Industrial Complex, Duburi, Dist. Jaipur, Orissa - 755026

(Unit - III) : Bhunia Raichak, Joynagar, P.S. Durga Chak, Dist. East Medinipur, Haldia, Wsst Bengal

3rd September, 2019

<p>The Listing Department BSE Limited P.J. Towers, 25th floor Dalal Street Mumbai – 400 001</p> <p><u>BSE SCRIP CODE : 532731</u></p>	<p>The Listing Department National Stock Exchange of India Limited Exchange Plaza BandraKurlaComplex Mumbai – 400 051</p> <p><u>NSE SYMBOL :ROHITFERRO</u></p>
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Dear Sir/Madam,

Sub: Revised Annual Report for the Financial Year 2018-19

Please note that under page 47 of the uploaded Annual Report 2018-19, the Graph under heading “Performance of the Company in comparison with BSE Sensex” was not readable due to scanning/software problem. We enclosing herewith revised copy of Annual Report of our Company for the financial year 2018-19 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to kindly take the same on record.

Thanking you,
Yours faithfully,

For **Rohit Ferro-Tech Limited**


Amit Prasad Shaw

(Company Secretary)

Encl: as above



2018
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2019

ANNUAL REPORT

Rohit Ferro-Tech Limited

Contents

Notice	01
Directors' Report	14
Management Discussion and Analysis	34
Corporate Governance Report	37
Standalone Auditor's Report	53
Standalone Financial Statements	66
Consolidated Auditor's Report	109
Consolidated Financial Statements	116

Notice

NOTICE is hereby given that the 19th Annual General Meeting of the members of the Company will be held on Wednesday, the 25th day of September, 2019 at 11.00 a.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata – 700 020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Year ended at 31st March, 2019, (both Standalone and Consolidated basis), together with the Reports of the Auditors & Board of Directors' thereon.
2. To appoint a Director in place of Mr. Suresh Kumar Patni (DIN: 00032674) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-
"RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder M/s. R.Kothari & Co., Chartered Accountants, Kolkata (Firm Registration No. 307069E) be and are hereby re-appointed as the Statutory Auditors of the Company for a period of 1 year to hold office from the conclusion of this Annual General Meeting till the conclusion of the 20th Annual General Meeting to be held in the year 2020 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), with the enabling provisions of the Articles of Association of the Company and subject to such consents, approvals or permissions as may be required, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Ranjeet Kumar Burnwal (DIN: 07479341) as the Whole-time Director of the Company designated as the Executive Director (Works) of the Company for a period of 3 (Three) years w.e.f. 24th March, 2019, on the term and conditions as enumerated in the Agreement dated 13th February, 2019 with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ranjeet Kumar Burnwal, subject to the same being within the limits specified under Section 197 of the Act read with Section I of Part II of Schedule V to the Act or any statutory modification(s) thereto or re-enactment(s) thereof .

RESOLVED FURTHER THAT if in any financial year, during the currency of tenure of his re-appointment commencing from 24th March, 2019, the Company has no profit or its profits are inadequate, the Company shall pay remuneration to him within the limits set out under Section II of Part II of Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER THAT the office of Executive Director (Works) shall be liable to retire by rotation, provided that if he vacates office by retirement by rotation under the provisions of the Companies Act 2013 at any Annual General Meeting and is re-appointed as a Director at the same meeting, he shall not, by reason only of such vacation, cease to be the Executive Director (Works).

RESOLVED FURTHER THAT Mr. Ankit Patni, Managing Director, Mr. S.K. Patni, Director and Mr. Anil Prasad Shaw, Company Secretary be and are hereby authorised to do all such acts, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions of Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force and in terms with the enabling provisions of the Articles of Association of the Company and subject to such consents, approvals or permissions as may be required, the consent of the members of the Company be and is hereby accorded for the re- appointment of Mr. Ankit Patni (DIN: 00034907) as the Managing Director of the Company for a further period of 3 (three) years w.e.f. 29th August, 2019 after expiry of his present term , on the term and conditions as enumerated in the Agreement dated 14th August, 2019 .

RESOLVED FURTHER THAT the office of Managing Director shall be liable to retire by rotation, provided that if he vacates office by retirement by rotation under the provisions of the Companies Act, 2013 at any Annual General Meeting and is re-appointed as a Director at the same meeting, he shall not, by reason only of such vacation, cease to be the Managing Director.

Notice

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Suresh Kumar Patni or Mr. R.K. Burnwal, Directors of the Company or Mr. Anil Prasad Shaw, Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies.”

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (‘Act’), Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Sujata Agarwal (DIN: 06833458), who was appointed as Non-Executive Independent Director of the Company and who holds office of Independent Director upto December 1, 2019 and whose re-appointment is recommended by the Nomination and Remuneration Committee, and who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and being eligible and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature be and is hereby re-appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation to hold office for a second term of five (5) consecutive years with effect from 2nd December, 2019 to 1st December, 2024 after expiry of her present term, with an option to retire from the office at any time during the term of appointment.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds and things, including statutory filings, and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

7. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (‘Act’), Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Ankit Rungta (DIN: 06893793), who was appointed as Non-Executive Independent Director of the Company and who holds office of Independent Director upto December 1, 2019 and whose re-appointment is recommended by the Nomination and Remuneration Committee, and who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and being eligible and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing his candidature be and is hereby re-appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation to hold office for a second term of five (5) consecutive years with effect from 2nd December, 2019 to 1st December, 2024 after expiry of his present term, with an option to retire from the office at any time during the term of appointment.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds and things, including statutory filings, and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

8. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr. Sharat Malik (DIN:08529458), who was, on the recommendation of the Nomination and Remuneration Committee, appointed as an Additional Director of the Company by the Board of Directors w.e.f 14th August, 2019, in terms of Section 161(1) of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company to hold office upto the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under section 160 of the Companies Act, 2013 signifying the intention to propose Mr. Sharat Malik as a candidate for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sharat Malik (DIN: 08529458), who has submitted a declaration that he meets the criteria for independence and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years with effect from 14th August, 2019.”

Notice

9. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 or any amendment thereto or modification thereof, and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of M/s. S. B. & Associates, Cost Accountant (FRN No. 00109), Kolkata, appointed by the Board of Directors of the Company as the Cost Auditor to conduct audit of Cost Records maintained by the Company for the Financial Year 2019-20, at Rs. 35,000/- (Rupees Thirty Five Thousand only) plus applicable taxes, and reimbursement of out-of-pocket expenses incurred, be and is hereby ratified and confirmed.”

By Order of the Board
For **Rohit Ferro-Tech Limited**

Place: Kolkata
Date: 14th August, 2019

Anil Prasad Shaw
Company Secretary

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member. In case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members will be entitled to vote.

1. The Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and Clause 1.2.5 of Secretarial Standard (SS-2) on General Meeting relating to Special Business to be transacted at the Meeting, is annexed hereto.
2. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) of person seeking appointment/re-appointment as Director is provided hereunder.
3. The Cut-off date for voting purpose will be 18th September, 2019.
4. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to the Notice.
5. Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members are informed that they may nominate at any time, in the prescribed manner, a person to whom their shares in the Company shall vest in the unfortunate event of their death. Members holding shares in physical mode should file their nomination with the Company or with M/s. Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agent (RTA) of the Company, at their address given in the Annual Report, whilst those Members holding shares in demat /electronic mode should file their nomination with their Depository Participants (DPs).
6. The Company has transferred unpaid/unclaimed Dividends for the Financial Year 2010-11 to Investor Education and Protection Fund (IEPF) established by the Central Government. The dividends from the Financial Year ended 31st March, 2012, which remain unpaid or unclaimed for a period of 7 (seven) years from the date of its transfer to the Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund established by the Central Government. Members who have not encashed the dividend warrant(s), so far from the Financial Year ended 31st March, 2012, or any subsequent Financial Years are requested to make their claim to the Company at its Registered Office. It may please be noted that once the unclaimed dividend is transferred to the said Fund, as above, no claims shall lie against the Company. However, claim can be made from the Fund in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017. Further, pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 and Investor Education and Protection Fund (Uploading of Information Regarding Unpaid and Unclaimed Dividend Amounts Lying with Companies) Rules, 2012, the Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company www.rohitferrotech.com and also on the website of the Ministry of Corporate Affairs.

Notice

7. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 36923 Equity Shares during the year under review aggregating to 61478 Equity shares till date in respect of shares on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with National Securities Depository Limited (NSDL).
8. The details of the shares transferred are provided in the web site of the Company www.rohitferrotech.com. Shareholders may note that the shares/dividend transferred to IEPF can be claimed by making an application to the Authority in Form IEPF-5 (to be filed online) at the following link <http://iepf.gov.in/IEPFA/refund.html>. Members who have not yet encashed their dividend warrants for the financial years 2011-12 onwards, are requested to correspond with the Company to make their claims.
9. The Company has sent reminder letters on 24th June, 2019 to the shareholders relating to transfer of shares and Dividend for the year ended 31st March, 2012, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund (IEPF) in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. A newspaper notice was also published by the Company in Financial Express-English and Ekdin-Bengali on 25th June, 2019 containing requisite details as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further, the details of unclaimed Shares proposed to be transferred to IEPF have been uploaded on the website of the Company www.rohitferrotech.com.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. The Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. The Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form vide its circular dated April 20, 2018. In this regard, the Company has sent letters on 24th June, 2019 to the concerned shareholders requesting to comply with the same. Therefore, the Members are requested to submit their PAN and Bank Account details to the 'Secretarial Department' of the Company or to Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agent (RTA).
11. In view of circular issued by SEBI, the Electronics Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. Members holding shares in physical form are requested to submit their Bank Account details to the Registrar and Share Transfer Agent (RTA) of the company.
12. Information in respect of such unclaimed Dividends and due dates for transfer to the Investor Education and Protection Fund of Government of India are given below:

Financial Year	Date of Declaration	Due date of transfer to IEPF
2011-12	25.09.2012	26.10.2019

13. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics (P) Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700 001 and to their respective DPs in respect of Equity Shares held in dematerialized form.
14. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
15. Members/Proxies are requested to bring their Attendance Slip for attending the Meeting.
16. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least ten days before the meeting so that the same could be complied in advance.
18. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.
19. All documents referred to in the Notice will be available for inspection at the Company's Corporate Office during all the working days except Saturday between 11.00 a.m and 2.00 p.m. up to the date of AGM.
20. Electronic copy of the Annual Report for 2019 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy

Notice

of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2019 is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a Financial Year, to the Member to register his e-mail address and any changes therein. In compliance with the same, we request the Members who do not have their e-mail id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Company the changes, if any in their e-mail address. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. www.rohitferrotech.com.

21. Electronic copy of the Notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their e-mail address, physical copies of the notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
22. The Securities and Exchange Board of India (SEBI) by amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out only in dematerialised form only except in case of transmission or transposition of securities. Therefore, the Members holding shares in physical forms are requested to dematerialise their securities accordingly.
23. In compliance with provisions of Section 108 of the Companies Act, 2013, Reg. 44 of SEBI (LODR) Regulations 2015 and 8.6 of Secretarial Standard (SS-2) on General Meeting and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are informed that the Company is pleased to offer e-voting facility to cast their vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The e-voting facility is available at the link www.evotingindia.com vide the EVSN 190819070.

The e-voting facility will be available during the following voting period :

Commencement of e-voting	From : 09.00 a.m. of 22 nd September, 2019
End of e-voting	Upto : 05.00 p.m. of 24 th September, 2019

E-voting shall not be allowed beyond 5.00 p.m. of 24th September, 2019.

The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed CS K.C. Dhanuka of M/s K. C. Dhanuka & Co., Practicing Company Secretaries for scrutinizing the e-voting process in a true and transparent manner.

24. e-Voting Procedure

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 22nd September, 2019 at 09.00 a.m. and ends on 24th September, 2019 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in physical form should enter folio number registered with the Company.
- (vi) Next enter the image verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

Notice

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ROHIT FERRO-TECH LTD.> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xviii) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively . Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

Notice

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DISTRIBUTION OF GIFTS

Attention of the Members is drawn that in conformity with regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the Annual General Meeting (AGM) or in connection therewith.

EXPLANATORY STATEMENT IN PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS SS-2 ON GENERAL MEETING AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Item No.3

M/s. R. Kothari & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of 4 consecutive years at the Annual General Meeting (AGM) held on 30th September, 2015. Their term of appointment of 4 years expires at this ensuing AGM. On the recommendation of the Audit Committee, the Board of Directors in their meeting held on 14th August, 2019, have recommended for the approval of the Members, the re-appointment of M/s. R. Kothari & Co. as Statutory Auditors of the Company for a further period of 1 year. M/s. R. Kothari & Co. have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of section 139 of the Act and the rules made thereunder.

M/s. R. Kothari & Co., was constituted on 21st November, 1986 having Firm Registration No. as 307069E. The registered office of the firm is at 16A, Shakespeare Sarani, Kolkata - 700071.

M/s. R. Kothari & Co. specializes in providing high-end services in Tax, Regulatory and Audit Assurance domain. Built on a foundation of quality, an ability to think out-of-the-box and a business – focused and result oriented approach.

M/s. R. Kothari & Co., Chartered Accountants, have given their consent for the said re-appointment and confirmed that their re-appointment, if made, would be within the limits specified under Section 141 of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any.

The remuneration proposed for audit of the financial statements for the financial year 2019-20 for the Company is same as previous year i.e. ₹ 8.00 lakhs plus reimbursement of out of pocket expenses and applicable taxes. In addition to the above and in accordance with the provisions of the Act, the Board / Audit Committee may approve the fee payable to the auditors for limited reviews, certifications and other permitted services to be rendered by the Auditors in accordance with the provisions of Section 144 of the Act, as deemed appropriate.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

The Board recommends the resolution set out at Item No.3 of the notice for approval by the Shareholders.

Item No.4

Mr. Ranjeet Kumar Burnwal (DIN: 07479341) was appointed as Executive Director (works) w.e.f. 24th March, 2016 to hold office upto 23rd March 2019. Based on recommendation of Nomination & Remuneration Committee Mr. R.K. Burnwal had been re-appointed as Executive Director (works) of the Company by the Board in their meeting held on 13th February, 2019 for a further period of 3 Years w.e.f. 24th March, 2019 on terms and conditions as set out in the agreement dated 13th February, 2019 executed between the Company and Mr. Ranjeet Kumar Burnwal subject to the approval of Shareholders. The Board of directors is of opinion that the extensive and rich experience of Mr. Ranjeet Kumar Burnwal, and considering in the best interests of the Company, it would be significant value to the Company to re-appoint him as Executive Director (works) for a further period of 3 Years w.e.f. 24th March, 2019 to 23rd March, 2022.

Since the Company had defaulted the payment of Borrowings along with interest thereon. The Company has obtained no objection from State Bank of India, the leader of Consortium of Banks on his behalf and also on behalf of all members banks of Consortium of Banks (secured creditors) vide their letter dated 12th March, 2019 pursuant to requirement of Part II of Section II of the Schedule V of the Companies Act, 2013. Accordingly Mr. R.K. Burnwal is eligible for payment of Remuneration on account of prior approval from Secured Creditors.

Mr. Ranjeet Kumar Burnwal, Executive Director (Works) shall be paid the following remuneration for the services rendered by him:

Notice

Salary: Rs. 1,07,000 (Rupees One Lac Seven Thousand Only) per month.

Perquisites/Allowances: He shall be entitled to the following Perquisites/Allowances:-

House Rent Allowance : ₹ 53,500 (Rupees Fifty - three thousand five hundreds) per month.

Transport Allowance : ₹ 10,700 (Rupees Ten Thousand seven hundreds) per month.

Medical Allowance : ₹ 10,700 (Rupees Ten Thousand seven hundreds) per month.

Special Allowance : ₹ 32,100 (Rupees Thirty-two thousand one hundred Only) per month.

Bonus: As may be decided by the Board.

Leave Encashment : As per applicable rules of the Company.

Gratuity: As may be decided by the Board, provided that it shall not exceed the ceiling limit envisaged under the Payment of Gratuity Act, 1972 or any amendments thereof.

Leave encashment and Gratuity shall not be included in the computation of ceiling on remuneration.

Leave : Executive Director (Works) will be entitled to leave as per applicable rule of the Company.

All other terms and conditions are set out in the Agreement referred to above.

The relevant agreement entered into by the Company and Mr. Ranjeet Kumar Burnwal is available for inspection by members at the Corporate office of the Company during all working days except Saturday between 11.00 a.m. to 2.00 p.m. upto date of Annual General Meeting.

Except Mr. Ranjeet Kumar Burnwal being appointee, 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 Resolution set out at Item No.4 of the Notice.

Brief Profile of Mr. Ranjeet Kumar Burnwal is annexed to the Notice.

The Board recommends the resolution set out at Item No. 4 of the notice for approval by the Shareholders.

Statement pursuant to item (iv) under second proviso to clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 with respect to Item No. 4

I. GENERAL INFORMATION

1. Nature of Industry:

Rohit Ferro-Tech Limited (herein referred as "RFTL/the Company") was incorporated on 7th April, 2000 and is amongst India's one of the largest Ferro-Alloys manufacturing Company. The Company is engaged in manufacturing of chromium and manganese-based ferro alloys, such as High Carbon Ferro Chrome (H.C.FeCr), Silico Manganese (SiMn) and Ferro Manganese (FeMn) through Submerged Arc Furnace (SAF) route. The Company has three manufacturing facilities located at Bishnupur and Haldia in West Bengal and Jajpur in Orissa.

The Company has acquired 60% equity stake in a coking coal mine in Indonesia owned by M/s. PT Bara Prima Mandiri through its subsidiary M/s. SKP Overseas Pte. Ltd., Singapore. The Company is also having 60% economic interest in a thermal coal mine in Indonesia owned by M/s PT Palopo Indah Raya through its aforesaid Subsidiary.

2. Date of Commencement of Commercial Production: The Company commenced its commercial production in 2003.

II. Financial Performance of the Company:

1. The Financial Performance of the Company is as follows:

(₹ in Crores)

	2018-19	2017-18	2016-17
Sales and other Income	896.28	735.81	730.63
Profit before Depreciation, Interest and Tax but after Prior Period Items	(101.82)	(251.90)	(320.47)
Depreciation/Amortization	33.43	33.74	34.18
Finance Cost	50.10	53.23	(18.66)
Profit/(Loss) before Tax and Exceptional items	(185.35)	(338.87)	(335.99)
Exceptional Gain /(Loss)	(93.09)	-	-
Tax Expenses	-	-	-
Profit/(Loss) after Tax	(278.44)	(338.87)	(335.99)
Other Comprehensive Income/(Loss)(net of tax)	(0.15)	(0.07)	(0.55)
Total Comprehensive Income/(Loss)	(278.59)	(338.94)	(336.54)

Notice

2. Foreign Earnings, investments or collaborations:

(₹ in Crores)

Particulars	2018-19	2017-18	2016-17
Investments Abroad (in Subsidiary)	NIL	NIL	NIL
Earning in Foreign Currency			
a. F.O.B. Value of Export	NIL	39.21	55.99
b. Interest on loan to subsidiary		0.89	0.84

III. Information about appointee:

S I . No.	Particulars	
1	Name	Mr. Ranjeet Kumar Burnwal
2	Background Details	He is a Chartered Accountant, Company Secretary and a Cost Accountant. He is associated with the Jajpur unit of the Company since 2006.
3	Past Remuneration	Remuneration received from Rohit Ferro-Tech Limited Rs. 2,14,000/- (Rupees Two lacs fourteen thousand Only) per month.
4	Job Profile & his suitability	Overall management of the Jajpur Unit of the Company.
5	Remuneration proposed	As detailed above.
6	Comparative remuneration profile with respects to Industry Size of the Company, profile of the position and person	The proposed remuneration is commensurate with the size and nature of business of the Company and the responsibility of the appointee. The remuneration do differ from Company to Company in the industry depending on the respective operations.
7	Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any,	Mr. Ranjeet Kumar Burnwal does not have any pecuniary relationship directly and indirectly with the Company as well as with the managerial personnel.

IV. Other Information:

Reason of Loss or inadequate profits

The depressed Ferro Alloys market due to recession in all major Global Economies has impacted the demand and net realization of the Company's products. The adverse movement in the foreign currency has also impacted the Company's liability on account of raw material procurement. Administered price increase for energy including power, coal and fuel has also added to the cost structure which could not be passed to the consumers in depressed business environment. The Company has incurred losses and has been facing liquidity crunch resulting into fall in capacity utilization and also from the prolonged shutdown of Haldia Unit.

Steps taken or proposed to be taken for improvement

The Company has undertaken several steps to lowering the overheads and aligning resources with current level of operations. The Company is focusing on cost competitiveness. The Company was brought under the Corporate Debt Restructuring (CDR) Scheme for nursing it to profitability earlier but the improvements were not marked. As a corrective action plan, the lenders then invoked Strategic Debt Restructuring (SDR) with reference date of 30th November, 2015 which was also withdrawn by the Lenders. The Lenders also made efforts for change in Management after identification of acquirer, however that also was subsequently withdrawn. The Management is trying its best to improve current financial position.

Expected increase in productivity and profits in measurable terms

The management has adopted focused and aggressive business strategies to improve the sales and profitability of the Company. Considering the present sign of improvement in overall business environment, the Company is expecting an increase in its revenue and to make it profitable. The productivity and profits of the Company are uncertain so its value in measurable terms is not predictable.

Disclosures

The detail of remuneration and other information is given as above. The requisite details of all elements remuneration, service contracts, notice period, stock option etc and all other information of all the Directors shall be included in the Corporate Governance Report, forming part of the Annual Report of the Company for the financial year 2018-19.

Notice

Item No. 5

Mr. Ankit Patni (DIN: 00034907) was appointed as Managing Director of the Company w.e.f. 29th August, 2016 to hold office upto 28th August, 2019. Based on recommendation of Nomination & Remuneration Committee he had been re-appointed as Managing Director of the Company by the Board in their meeting held on 14th August, 2019 for a further period of 3 Years w.e.f. 29th August, 2019 on terms and conditions as set out in the agreement dated 14th August, 2019 executed between the Company and Mr. Ankit Patni subject to the approval of Shareholders. Looking into worse financial position of the Company Mr. Patni had intimated the Board that he would like to serve the Company without getting payment of Remuneration.

The Board of directors is of opinion that the extensive and rich experience of Mr. Ankit Patni, and considering in the best interests and current financial position of the Company, it would be immense requirement and significant value to the Company to re-appoint him as Managing Director for a further period of 3 Years w.e.f. 29th August, 2019.

The relevant agreement entered into by the Company and Mr. Ankit Patni is available for inspection by members at the Corporate office of the Company during all working days except Saturday between 11.00 a.m. to 2.00 p.m. upto date of Annual General Meeting.

Mr. Ankit Patni along with his relatives and Mr. Suresh Kumar Patni, Director being father of Mr. Ankit Patni are deemed to be concerned or interested in the Resolution set out in item No. 5 of the Notice.

Brief Profile of Mr. Ankit Patni is annexed to the Notice.

The Board recommends the resolution set out at Item No.5 of the notice for approval by the Shareholders.

Item No. 6 and 7.

Pursuant to the provisions of section 149 and 152 read with Schedule IV of the Companies Act, 2013, Mrs. Sujata Agarwal (DIN: 06833458) and Mr. Ankit Rungta (DIN: 06893793), were appointed as an Independent Directors for period of 5 years upto 1st December, 2019 by the Members at the 15th AGM of the Company held on 30th September, 2015.

Based on recommendation of Nomination and Remuneration Committee, and on the basis of performance evaluation, the Board in their meeting held on 14th August, 2019 had re-appointed them for a further period of 5 Years w.e.f. 2nd December, 2019. In the opinion of the Board, both the independent directors proposed to be re-appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

The Board of directors is of opinion that the extensive and rich experience of Mrs. Sujata Agarwal, and Mr. Ankit Rungta, and considering the current financial position of the Company, their continued association would be beneficial to the Company.

They had submitted their declaration of independence as required under the provisions of section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations, 2015 and are not disqualified to be re-appointed as Directors.

The Company has received notices from the members under Section 160 of the Companies Act, 2013 proposing their candidature as Independent Director of the Company.

Copy of the draft letter for re-appointment of Mrs. Sujata Agarwal and Mr. Ankit Rungta, Independent Directors setting out terms and conditions are available for inspection by members at the Corporate office of the Company during all working days except Saturday between 11.00 a.m. to 2.00 p.m. upto date of Annual General Meeting.

Except Mrs. Sujata Agarwal and Mr. Ankit Rungta, being appointees, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 and 7 of the accompanying Notice of the AGM.

Both Mrs. Sujata Agarwal and Mr. Ankit Rungta are not related to any Director of the Company.

Brief Profiles of Mrs. Sujata Agarwal and Mr. Ankit Rungta are annexed to the Notice.

The Board recommends the resolutions set out at Item No.6 and 7 of the notice for approval by the Shareholders.

Item No.8

The Board of Directors appointed Mr. Sharat Malik (DIN:08529458) as an Additional and Independent Director of the Company with effect from 14th August, 2019 pursuant to the section 149, and 152 and 161 of the Companies Act, 2013 read with the rules made thereunder and applicable provisions of the Articles of Association of the Company. Mr. Sharat Malik holds office upto the date of ensuing AGM of the Company and is eligible to be appointed.

Notice in writing has been received from a Member of the Company under section 160 of the Companies Act, 2013 signifying the intention to propose the candidature of Mr. Sharat Malik for the office of the Director of the Company and is not liable to retire by rotation.

Mr. Sharat Malik is not disqualified from being appointed as Director in terms of section 164 of the Act and have given his consent to act as director.

Notice

The Company has also received declaration from Mr. Sharat Malik that he meets with the criteria of independence as prescribed under section 149(6) of the Act and Regulation 16(b) of the SEBI Listing Regulations, 2015.

In the opinion of the Board, Mr. Sharat Malik fulfills the conditions for appointment as Independent Director as specified in the Act and the SEBI Listing Regulations, 2015.

Copy of the draft letter for appointment of Mr. Sharat Malik as an Independent Director setting out the terms and conditions are available for inspection by members at the Corporate office of the Company during all working days except Saturday between 11.00 a.m. to 2.00 p.m. upto date of Annual General Meeting.

Mr. Sharat Malik is not related to any Director of the Company.

The brief profile of Mr. Sharat Malik is annexed to the Notice.

Except Mr. Sharat Malik, none of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the resolutions set out at Item No. 8 of the notice for approval by the Shareholders.

Item No. 9

The Board of Directors had reappointed M/s. S. B. & Associates, Cost Accountant (FRN No.00109), as per recommendation of Audit Committee, being eligible as Cost Auditor of the Company, for a remuneration of ₹ 35,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current Financial Year beginning from 1st April, 2019 and ending on 31st March, 2020.

In terms of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration is required to be ratified by the members. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 9 of the Notice.

The Board recommends the resolution set out at Item No. 9 of the notice for approval by the Shareholders.

Notice

Annexure:

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the Directors seeking appointment/re-appointment

Name of the Director	Mr. S .K. Patni	Mr. Ankit Patni	Mr. R.K. Burnwal	Mrs. Sujata Agarwal	Mr. Ankit Rungta	Mr. Sharat Malik
Date of Birth	13.07.1959	13.01.1985	08.01.1967	22.11.1979	24.09.1984	09.08.1968
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Date of appointment on the Board	07.04.2000	30.09.2015	24.03.2016	02.12.2014	02.12.2014	14.08.2019
Qualifications	He is B Com.	B.Com, CFA and MBA	He is a Chartered Accountant, Company Secretary and a Cost Accountant.	She is a Doctorate (Ph.D) in Management Studies by profession.	He is Honours Graduate and qualified CFA from USA.	He is having Diploma in Hotel Management.
Expertise	He is having a wide experience of more than three decades in Iron & Steel related Ferro Alloy Industry. He is also a co-promoter of Impex Ferro-Tech Limited, Impex Metal & Ferro Alloys Limited, and Ankit Metal & Power Limited. He contributes with his experience and provides guidance to the Senior management of the Company.	He is having a good amount of experience in the matters of finance, raw material procurements and marketing.	He is having expertise in Finance, Legal and Commercial functions. Prior to joining Rohit Ferro-Tech Limited, Mr. Burnwal has served companies under Maithan Group, Monnet Group, and Birla Group. He is continue to be associated with the Company for over thirteen 16 years and responsible for the overall commercial functions of the Company.	She, is the Business Head for Oriental Flowers. She is a Gold Medalist in Public Relations and is qualified with lot of other accolades under her belt. With Interest in Motivational talks and Management Field, she has undergone Leadership Training Programs with eminent Personalities. She has been an all rounder Professional and associated with many various forums from her young age. Dr. Agarwal is also engaged in social forums for the benefit of the society.	He is a certified financial planning and professional risk Manager ,PRIMA. He has got Arena Multimedia's certification in Graphics.	He is a Proprietor of Ritz International, Export and Import firm. He is having a good business experience.
Number of Shares held in the Company	2186403	1128589	NIL	NIL	NIL	NIL
List of Directorship held in other listed Companies as on 31.03.2019	1 Ankit Metal & Power Limited 2 Impex Ferro Tech Limited	1. Ankit Metal & Power Limited 2 Impex Ferro Tech Limited	NIL	1 Ankit Metal & Power Limited 2 .Impex Ferro Tech Limited	NIL	N.A.
Chairmanship/ Membership in Committee of other listed companies as on 31.03.2019**	In Impex Ferro Tech Limited - Member in Stakeholders' Relationship Committee In Ankit Metal & Power Limited -Member in Nomination & Remuneration Committee	In Ankit Metal & Power Limited -Member in Stakeholder Relationship Committee In Impex Ferro Tech Limited -Member in Audit Committee -Member in Nomination & Remuneration Committee	NIL	In Impex Ferro Tech Limited - Chairman in Stakeholders' Relationship Committee and Audit Committee and Member in Nomination & Remuneration Committee	NIL	N.A.
Relationship between Directors inter-se	Mr. Suresh Kumar Patni is father of Mr. Ankit Patni, Managing Director	Mr. Ankit Patni is son of Mr. Suresh Kumar Patni, Chairman of the Company	No relation with any other Director/KMP	No relation with any other Director/KMP	No relation with any other Director/KMP	No relation with any other Director/ KMP

** Committee herein refers Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

Notice

ROUTE MAP OF AGM VENUE



Directors' Report

Dear Shareholders,

The Directors are pleased to present the 19th Annual Report of the Company together with Audited Accounts for the Financial Year ended 31st March, 2019.

Financial Highlights

(₹ in Crores)

Particulars	Standalone	
	Current Year 31-03-2019	Previous year 31-03-2018
Revenue from Operation	892.83	731.39
Other Income	3.45	4.42
Total Revenue	896.28	735.81
Profit before Finance Cost, Depreciation and Tax	(101.82)	(251.90)
Depreciation & Amortisation	33.43	33.74
Finance Cost	50.10	53.23
Exceptional Item	(93.09)	-
Tax Expenses	-	-
Net Profit after Tax	(278.44)	(338.87)
Other Comprehensive Income/(Loss) (net of tax)	(0.15)	(.07)
Total Comprehensive Income/(Loss)	(278.59)	(338.94)

➤ Figures of the previous period has been regrouped / reclassified, wherever necessary to conform to the classification for the year ended 31st March 2019.

FINANCIAL AND OPERATIONAL REVIEW

During the year under review the Company has achieved a total Revenue from Operation of ₹ 892.83 Crores (P.Y. ₹ 731.39 Crores) registering an increase of 22% over previous year. The Company incurred a net loss of ₹ 278.44 Crores as against ₹ 338.87 Crores in previous year. The loss is mainly due to high finance cost, low capacity utilisation of plants, increase in input cost and lower realisations owing to availability of cheaper imports etc.

The suspension of work at our plant at Haldia still continues.

INDIAN ACCOUNTING STANDARDS (IND AS)

The Company adopted Ind AS from the last Financial Year with the transition date of 1st April, 2015.

DIVIDEND

In view of the huge losses incurred by the Company, the Directors of the Company do not recommend any Dividend for the Financial Year 2018-19.

TRANSFER TO RESERVE

In view of the huge losses incurred by the Company during the year under review, no amount has been transferred to reserves.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance of provisions of Companies Act, 2013 Mr. Suresh Kumar Patni (DIN: 00032674), Director retires by rotation and being eligible, offers himself for re-appointment

Mr. Jatindra Nath Rudra has resigned from the Directorship in the Capacity of Independent Director of the Company with effect from 14th August, 2019, due to his personal reasons and pre-occupation with other commitments. The Directors have recorded their sincere appreciation for the services rendered and the guidance received from Mr. Rudra during his tenure as Independent Director.

Mr. Ranjeet Kumar Burnwal was appointed as Executive Director (works) w.e.f. 24th March, 2016 to hold office upto 23rd March, 2019. Based on recommendation of Nomination & Remuneration Committee Mr. Ranjeet Kumar Burnwal had been re-appointed as Executive Director (works) of the Company by the Board in their meeting held on 13th February, 2019 for a further period of 3 Years w.e.f. 24th March, 2019 on terms and conditions as set out in the agreement dated 13th February, 2019 executed between the Company and Mr. Ranjeet Kumar Burnwal subject to the approval of Shareholders in ensuing Annual General Meeting.

Directors' Report

Mr. Ankit Patni was appointed as Managing Director of the Company w.e.f. 29th August, 2016 to hold office upto 28th August, 2019 . Based on recommendation of Nomination & Remuneration Committee he had been re-appointed as Managing Director of the Company by the Board in their meeting held on 14th August, 2019 for a further period of 3 years w.e.f. 29.08.2019 on terms and conditions as set out in the agreement dated 14th August, 2019 executed between the Company and Mr. Ankit Patni subject to the approval of Shareholders in ensuing Annual General Meeting. Looking into worse financial position of the Company Mr. Patni had intimated the Board that he would like to serve the Company without getting payment of Remuneration.

Based on recommendation of Nomination & Remuneration Committee Mr. Sharat Malik had been appointed as an Additional Independent Director to hold office upto date of ensuing AGM . The Board had also appointed him an Independent Director for a period of five consecutive years with effect from 14th August, 2019 subject to the approval of the shareholders in ensuing Annual General Meeting.

Mrs. Sujata Agarwal and Mr. Ankit Rungta, were appointed as an Independent Directors for period of 5 years upto 1st December, 2019 by the Members at the 15th AGM of the Company held on 30th September, 2015. Based on recommendation of Nomination and Remuneration Committee, and on the basis of performance evaluation, the Board in their meeting held on 14th August, 2019 had re-appointed them for a further period of 5 Years w.e.f. 2nd December, 2019. In the opinion of the Board, both the independent directors proposed to be re-appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

The brief particulars of the Directors seeking their appointment/re-appointment have been given in the notice convening the ensuing Annual General Meeting and is annexed to the notice as required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations') and the Board recommends their appointment/re-appointment as set out in the notice.

There was no change in other Directors & Key Managerial Personnel during year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors confirm:

- a. that in the preparation of the Annual Accounts, for the Year ended 31st March, 2019 the applicable Accounting Standards have been followed with proper explanation relating to material departures, if any;
- b. that they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of Financial Year and of the profit or loss of the Company for that period;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the accounts for the Financial Year ended on 31st March, 2019 on a 'Going Concern' basis.;
- e. that they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively and
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The details of the number of meetings of the Board of Directors held during the Financial Year 2018-19 forms a part of the Corporate Governance Report.

STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations with Stock Exchanges.

NOMINATION & REMUNERATION POLICY

The Company's Nomination & Remuneration Policy and other matters provided under Section 178(3) of the act, has been disclosed in the Corporate Governance Report which form part of Directors Report.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the functioning of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors, the details of which are covered in the Corporate Governance Report.

Directors' Report

MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDA)

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analysed in the Management Discussion and Analysis Report which forms a part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed to this report.

SUBSIDIARIES

As on 31st March, 2019, the Company has 2 (two) Subsidiaries i.e. M/s. SKP Overseas Pte. Ltd. (Wholly Owned Subsidiary) and M/s. PT Bara Prima Mandiri of Indonesia (Step Down Subsidiary). There is no change in the status of the holding in the Financial Year under review.

Pursuant to the provisions of Section 129(3) of the Act, the Balance Sheet, Profit & Loss Account and other documents of its Subsidiary Company are required to be attached to Balance Sheet. Accordingly, the said documents are included in this Annual Report. The financial data of the Subsidiaries forms part of the Annual Report.

Further, investments in both subsidiary and step down subsidiary has been written off due to negative net worth of these Company.

CONSOLIDATED FINANCIAL STATEMENT

As per requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company has prepared Consolidated Financial Statements in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The Audited Consolidated Financial Statements along with the Auditors Report thereon form part of the Annual Report.

CREDIT RATING

During the year under review Credit Rating has not been done. The Company's credit rating for last available year for Long-Term Loans & Fund Based Limits was [ICRA] D and for Short-Term Limits was [ICRA] D, as given by ICRA Limited.

PUBLIC DEPOSITS

The Company has not accepted any fixed deposits from the public and as such, no amount of principal and interest was outstanding as on the date of the Balance Sheet.

INSURANCE

The properties and insurable assets and interests of the Company, like building, plant and machinery and stocks, among others, are adequately insured.

AWARDS & ACHIEVEMENTS

During the year under review there was no award received by the Company.

CHANGE IN CAPITAL STRUCTURE & MEMORANDUM OF ASSOCIATION

During the year under review there were no changes in capital structure or memorandum & Articles of Association of the Company.

EXTRACT OF ANNUAL RETURN

An extract of Annual Return as on the Financial Year ended on 31st March, 2019 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is set out as an **Annexure-I** to the Directors' Report and form part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as per Regulation 34(2) of the SEBI (LODR) Regulations, 2015 is not applicable to the Company as the Company does not fall under top 500 listed Companies on the basis of market capitalisation.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 500 listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. Accordingly, your Company is not required to formulate the Dividend Distribution Policy.

Directors' Report

AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s. R. Kothari & Co., Chartered Accountants (FRN:307069E), were appointed as Statutory Auditors of the Company from conclusion of the 15th AGM held in the year 2015 until the conclusion of the Nineteenth (19th) AGM of the Company.

Based on recommendation of Audit Committee, the Board had re-appointed M/s. R. Kothari & Co, Chartered Accountants in their meeting held on 14th August, 2019 for a further period of 1 years at a remuneration of ₹ 8.00 lacs per annum subject to approval of the shareholders in ensuing Annual General Meeting.

Further, the Company has received consent and a certificate from M/s. R. Kothari & Co, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed there under. They have also confirmed that they hold a valid Peer Review Certificate as prescribed under Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Observations of the Auditors M/s. R. Kothari & Co, Chartered Accountants, on Standalone Financial Results for the Year ended 31st March, 2019 have been dealt with hereunder:

We draw your attention to Note no.44 of the accompanying financial statements regarding non provision of interest expenses on the borrowing of the Company amounting to ₹ 25,357 Lacs for year ended 31st March, 2019 (cumulative non provision of ₹ 86,546 Lacs) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23 and Borrowing Costs read with Ind AS 109.

Further, the Company has not provided accrued interest in its books of accounts during the year. The unprovided liability in respect of interest on Borrowings amounted to ₹ 25,357 Lacs for the year under review. The same have consequential impact on the reported figures of this year. Had the aforesaid interest expense been recognized the finance cost would have been ₹ 30,367 Lacs instead reported amount of ₹ 5,010 Lacs for the year under review. The total expenses for the year end 31st March, 2019 would have been ₹ 1,33,519. The Net loss after tax for the year ended 31st March, 2019 would have been ₹ 53,200 Lacs instead of reported amount of ₹ 27,843 Lacs. Total comprehensive Loss for the year ended 31st March, 2019 would have been ₹ 53,215 Lacs instead reported amount of ₹ 27,858 Lacs. Other Equity as on 31st March, 2019 would have been ₹ (2,19,250) Lacs against reported amount of ₹ (1,32,704) Lacs and other current financial liability would have been ₹ 1, 61,495 Lacs instead of reported amount of ₹ 74,949 Lacs as on date.

The Board of Directors comments on the above observations are:

The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. The company is in active discussion/ negotiation with it lenders to restructure its debt at a sustainable level. In view of the above, pending finalization of the restructuring plan, the company has not provided accrued interest in its books during the year as the account has been declared Non Performing Asset (NPA) by the respective lenders. The amount of interest not so provided for the quarter ended 31st March, 2019 stands at ₹ 6,656 Lacs and for the twelve months ended 31st March, 2019 at ₹ 25,357 Lacs.

Observations of the Auditors M/s. R. Kothari & Co, Chartered Accountants, on Consolidated Financial Statement of the Company have been dealt with hereunder:

We draw your attention to Note No. 41 of the accompanying statement with regard to non-recognition of interest expense amounting to ₹ 25,670 Lacs on the borrowings of the group for the year ended 31st March, 2019 (cumulative non provision of ₹ 87,119 till 31st March, 2019) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Cost read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expenses been recognized, the finance cost for the year ended 31st march, 2019 would have been ₹ 30,680 Lacs instead of reported amount of ₹ 5,010 Lacs. Total expenses for the year ended 31st March, 2019 would have been ₹ 1,34,972 lakhs instead of reported amount of ₹ 1,09,302 Lacs. Net loss after tax for the year ended 31st March, 2019 would have been ₹ 45,344 Lacs instead of reported amount of ₹ 19,674 Lacs. Total comprehensive losses for the year ended 31st March, 2019 would have been ₹ 48,192 lakhs instead of reported amount of ₹ 22,522 Lacs. Other Equity would have been ₹ (2,25,393) Lacs instead of reported amount of ₹ (1,38,274) Lacs. Other current financial liability would have been ₹ 1,65,809 Lacs instead of reported amount of ₹ 78,690 Lacs.

The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2019 amounted to ₹ 25,670 Lacs. The same have consequential impact on the reported figures of current financial year as well as earlier periods on finance cost, total expenses, total comprehensive loss etc.

The Board of Directors comments are:

The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non-Performing Asset. The company is in active discussion/negotiation with it lenders to restructure its debt at a sustainable level. In view of the

Directors' Report

above, pending finalization of the restructuring plan, the company has not provided accrued interest in its books during the year as the account has been declared NPA by the respective lenders.

INTERNAL AUDITORS

M/s. NR & Associates, Cost Accountants, has been appointed as Internal Auditors of the Company for the Financial Year 2019-20.

COST AUDITORS

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has appointed M/s. S. B. & Associates, Cost Accountant (FRN No.00109), as Cost Auditor of the Company, at a remuneration of ₹ 35,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them to conduct an audit of the Cost Accounting Records maintained by the Company for the Financial Year beginning from 1st April, 2019 and ending on 31st March, 2020.

As required under Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is being placed at the ensuing Annual General Meeting for ratification by the members.

COST RECORDS

The Company has duly prepared and maintained the cost records of the business activities carried out by the Company during the financial year 2018-19 as required pursuant to the provisions of Section 148(1) of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014.

INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The Financial Control System and framework is required to ensure:

- The orderly and efficient conduct of its business,
- 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.

The Board reviews the effectiveness of controls documented as part of Internal Affairs and Financial Control (IAFC) framework and take necessary corrective actions, where weaknesses are identified as a result of such reviews. This review covers entity level controls, fraud risk controls and information technology environment.

The policies and procedure adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect our Internal Financial Control. The management has also come to the conclusion that the Internal Financial Control and other Financial Reporting was effective during the year and is adequate considering the business operations of the Company. The Statutory Auditor of the Company has audited the Internal Financial Control over Financial Reporting and their Audit Report is annexed as Annexure- B to the Independent Auditor's Report under Financial Statements.

AUDIT COMMITTEE

The details pertaining to composition and terms of reference of the Audit Committee are included in the Corporate Governance Report, which form part of this report.

NOMINATION AND REMUNERATION COMMITTEE

The details pertaining to composition and terms of reference of the Nomination and Remuneration Committee are included in the Corporate Governance Report, which form part of this report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The details pertaining to composition and other matters of the Stakeholders Relationship Committee are included in the Corporate Governance Report, which form part of this report.

Directors' Report

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The details pertaining to composition and other matters of the Corporate Social Responsibility Committee (CSR Committee) are included in the Corporate Governance Report, which form part of this report.

VIGIL MECHANISM POLICY

In compliance with provisions of the Section 177(9) of the Companies Act, 2013, and the Listing Agreement, the Company has formulated a Vigil Mechanism Policy for Directors and employees to report their genuine concerns, details of which has been given in the Corporate Governance Report annexed to this report and also posted on the website of the Company www.rohitferrotech.com.

RISK MANAGEMENT POLICY

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan which is reviewed by the Audit Committee and approved by the Board from time to time. All identified risks are categorised based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to the extent possible. Major risks in particular areas monitored regularly and the Board of Directors of the Company is kept abreast.

EXECUTIVE COMMITTEE

The details pertaining to composition and terms of reference of the Executive Committee are included in the Corporate Governance Report, which form part of this report.

FAMILIARIZATION PROGRAMME

The Company at its meetings held during the Financial Year 2018-19 had familiarised the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarise them with the Company's policies, procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

The details of such Programmes are uploaded on the website of the Company at <https://www.rohitferrotech.com/familiarisation-programme-18-19.pdf>

SECRETARIAL AUDITORS, SECRETARIAL AUDIT AND SECRETARIAL COMPLIANCE REPORT

The Company appointed M/s K. C. Dhanuka & Co., (Prop. Mr. K.C. Dhanuka, FCS – 2204) as the Secretarial Auditor of your Company for Financial Year 2018-19 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended 31st March, 2019 is annexed as Annexure-II and forms part of the Report.

SECRETARIAL AUDITOR OBSERVATION

The Secretarial Auditor has the following observations in Form MR-3 enclosed as **Annexure-II**.

(i) It has been observed that the Company has defaulted in the payments of statutory dues within the prescribed time.

Our Comments are as under:

(i) Statutory payments were delayed mainly due to poor liquidity position.

SECRETARIAL COMPLIANCE REPORT

Pursuant to SEBI Circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019 and Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Compliance Report for the Financial Year ended 31st March, 2019 issued by M/s K. C. Dhanuka & Co., (Prop. Mr. K.C. Dhanuka, FCS – 2204), Practicing Company Secretary is annexed herewith and marked as **Annexure-III** to this report. The Secretarial Compliance Report does not contain any qualifications, reservation or adverse remarks.

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the Financial Year were on an arm's length basis and were in the ordinary course of business. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company's materiality of related party transactions. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure

Directors' Report

in Form AOC-2 is not required. The Audit committee has approved the omnibus resolution for related party transactions during the year under review. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons.

The Policy on materiality of related party transaction as approved by the Board may be accessed on the Company's Website, www.rohitferrotech.com. Your Directors drew attention of the members to Note 38 to the Financial Statement which sets out related party disclosures.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 if any, are given in the notes to the Financial Statement.

TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

During the year under review, your Company transferred a sum of ₹ 1,45,946.00 (Rupees One Lac Forty-five Thousand Nine Hundred Forty-six only) to IEPF of the Central Government, being the dividend amount pertaining to the Financial Year ended on 31st March, 2011, which was due and payable and remained unclaimed and unpaid for a period of 7 years or more. The Company has also sent Reminder letters dated 24th June, 2019 to the concerned shareholders for the transfer of Dividend from the year ended 31st March, 2012 to the Investor Education and Protection Fund (IEPF), which has not been paid or claimed and a reference in this respect was also published by the Company in Newspaper i.e. in Financial Express –English and Ekdin- Bengali on 25th June, 2019.

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 36923 Equity Shares during the year under review aggregating to 61478 Equity shares till date in respect of shares on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with National Securities Depository Limited (NSDL).

Further, the Company has sent Reminder letters dated 24th June, 2019 to the shareholders relating to transfer of shares from the year ended 31st March, 2012, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund (IEPF) in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. A Newspaper Notice was also published by the Company in Financial Express –English and Ekdin- Bengali on 25th June, 2019 containing requisite details as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further, the details of unclaimed shares proposed to be transferred to IEPF have been uploaded on the website of the Company (www.rohitferrotech.com).

The concerned members are therefore requested to claim the aforementioned Dividend remaining unclaimed immediately to the Company or our Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd. having address at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of the Board's Report as **Annexure-IV**.

PARTICULARS OF EMPLOYEES

As required under provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees are not applicable to the Company.

DETAILS OF SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATION

To the best of our knowledge the Company has not received any such order by Regulators, Courts or Tribunals during the year under review which may impact the Going Concern status or the Company's operations in future during year under review. The Company has complied with all the requirements of the Uniform Listing Agreement/Listing Regulations with the Stock Exchanges as well as regulations and guidelines of SEBI.

However SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including our company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI. **NSE vide its communication dated July 12 2019 informed us that SEBI had revoked, all the actions/ directions/ order/ limitations issued by them in its letter dated August 7, 2017 against the Company.**

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

SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including our company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI. NSE vide its communication dated July 12, 2019 informed us that SEBI had revoked, all the actions/ directions/ order/ limitations issued by them in its letter dated August 7, 2017 against the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

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

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return pursuant to Section 134(3)(a) has been disclosed on the website of the Company www.rohitferrotech.com/financial.html.

GREEN INITIATIVE

The Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address previously registered with the DPs/Company/RTAs. Those holding shares in demat form can register their e-mail address with their concerned DPs. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

INDUSTRIAL RELATIONS

During the year under review industrial relations and the Company's manufacturing complexes were remained cordial.

APPRECIATION

The Directors wish to place on record their sincere appreciation for the continued assistance and co-operation extended to the Company by the Shareholders, Regulatory & Government Authorities, Suppliers, Customers and Bankers and to other entire workforce including valuable contribution of the employees at all levels who are continuing their assistance to the Company.

**For and on behalf of the Board
Rohit Ferro-Tech Limited**

**Suresh Kumar Patni
Chairman**

Kolkata, 14th August, 2019

Annexure to the Directors' Report

Annexure - I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L27104WB2000PLC091629
ii	Registration Date	7th April, 2000
iii	Name of the Company	Rohit Ferro-Tech Limited
iv	Category/Sub-category of the Company	Public Company (Limited by Shares having Share Capital)
v	Address of the Registered Office & contact details	35, Chittaranjan Avenue, Kolkata - 700 012 Phone No.: +91 33 2211 0225/0226
vi	Whether listed company	Yes (BSE Limited & National Stock Exchange of India Limited)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Maheshwari Datamatics Pvt. Ltd. 23, R N Mukherjee Road, 5th Floor, Kolkata - 700 001 Phone : 033 22435029 / 22482248

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Ferro-alloys	24104	55%
2.	Iron & Steel	24109	45%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	M/S SKP Overseas Pte. Ltd. 141, Cecil Street, #07-05, Tung Ann Association Building, Singapore-069541	200806931E	Wholly-Owned Subsidiary	100.00%	2(87)

IV. Shareholding 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-2018]				No of Shares held at the end of the year [As on 31-March-2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	60,65,638	-	60,65,638	5.33	60,65,638	-	60,65,638	5.33	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	7,58,52,204	-	7,58,52,204	66.67	7,58,52,204	-	7,58,52,204	66.67	-
e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	8,19,17,842	-	8,19,17,842	72.00	8,19,17,842	-	8,19,17,842	72.00	-

Annexure to the Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2018]				No of Shares held at the end of the year [As on 31-March-2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other(specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	8,19,17,842	-	8,19,17,842	72.00	8,19,17,842	-	8,19,17,842	72.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Fund	-	-	-	-	-	-	-	-	-
b) Banks/ Financila Institutions	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FI's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
j) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
1. Indian	18,20,828	-	18,20,828	1.60	23,41,666	-	23,41,666	2.06	0.46
2. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	1,46,13,911	14,653	1,46,28,564	12.86	1,43,83,852	14,652	1,43,98,504	12.66	-0.20
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,34,76,883	-	1,34,76,883	11.85	1,37,33,684	-	1,37,33,684	12.07	0.23
c) Others (Specify)									
1. Non Resident Indians	11,04,192	-	11,04,192	0.97	11,02,017	-	11,02,017	0.97	-0.00
2. Clearing Members	7,99,259	-	7,99,259	0.70	2,07,515	-	2,07,515	0.18	-0.52
3. NBFCs registered with RBI	4,000	-	4,000	0.00	13,417	-	13,417	0.01	0.01
4. Investor Education and Protection Fund Authority	24,555	-	24,555	0.02	61,478	-	61,478	0.05	0.03
Sub-total(B)(2)	3,18,43,628	14,653	3,18,58,281	28.00	3,18,43,629	14,652	3,18,58,281	28.00	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	3,18,43,628	14,653	3,18,58,281	28.00	3,18,43,629	14,652	3,18,58,281	28.00	-
C. Shares held by Custodians for GDR's & ADR's	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	11,37,61,470	14,653	11,37,76,123	100.00	11,37,61,471	14,652	11,37,76,123	100.00	-

Annexure to the Directors' Report

ii) SHAREHOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (As on 1st April, 2018)			Shareholding at the end of the year (As on 31st March, 2019)			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
Directors & their Relatives								
1	Mr. Ankit Patni	11,28,589	0.99	100.00	11,28,589	0.99	100.00	-
2	Mr. Rohit Patni	12,00,952	1.06	100.00	12,00,952	1.06	100.00	-
3	Mr. Suresh Kumar Patni	21,86,403	1.92	100.00	21,86,403	1.92	100.00	-
4	Mrs. Sarita Patni	15,49,694	1.36	100.00	15,49,694	1.36	100.00	-
Bodies Corporate								
5	M/s. Invesco Finance Pvt. Ltd.	1,10,39,317	9.70	100.00	1,10,39,317	9.70	100.00	-
6	M/s. Vasupujya Enterprises Pvt. Ltd.	1,13,59,538	9.98	100.00	1,13,59,538	9.98	100.00	-
7	M/s. Shreyansh Leafin Pvt. Ltd.	1,09,93,150	9.66	100.00	1,09,93,150	9.66	100.00	-
8	M/s. Whitestone Suppliers Pvt. Ltd.	1,09,07,765	9.59	100.00	1,09,07,765	9.59	100.00	-
9	M/s. Poddar Mech Tech Services Pvt. Ltd.	1,29,79,933	11.41	100.00	1,29,79,933	11.41	100.00	-
10	M/s. Suanvi Trading & Investment Co. Pvt. Ltd.	1,12,37,501	9.88	100.00	1,12,37,501	9.88	100.00	-
11	M/s. VNG Mercantiles Pvt. Ltd.	9,85,000	0.87	100.00	9,85,000	0.87	100.00	-
12	M/s. Nucore Exports Pvt. Ltd.	11,00,000	0.97	100.00	11,00,000	0.97	100.00	-
13	M/s. Arthodock Vinimay Pvt. Ltd.	52,50,000	4.61	100.00	52,50,000	4.61	100.00	-
	Total	8,19,17,842	72.00	100.00	8,19,17,842	72.00	100.00	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.	Shareholder's Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares held as on 1st April, 2018	% of total Shares of the Company	No. of Shares held as on 31st March, 2019	% of total Shares of the Company
	At the beginning of the year	8,19,17,842	72.00	8,19,17,842	72.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	8,19,17,842	72.00	8,19,17,842	72.00

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR'S & ADR'S)

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the End of the Year	
		No. of Shares held as on 1st April, 2018	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2019	% of total Shares of the Company
1	MR. GIRDHARILAL SEKSARIA	8,07,512	0.71				8,07,512	0.71
	At the end of the Year						8,07,512	0.71

Annexure to the Directors' Report

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the End of the Year	
		No. of Shares held as on 1st April, 2018	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2019	% of total Shares of the Company
2	MR. MSUNILKUMAR	5,85,100	0.51				5,85,100	0.51
	At the end of the Year						5,85,100	0.51
3	M/S. TRINCAS MANAGEMENT PVT. LTD.	-	-				-	-
	Transfer			7-Sep-2018	5,25,000	Purchase	5,25,000	0.46
	At the end of the Year						5,25,000	0.46
4	MRS. SUNITHA M V	2,78,041	0.24				2,78,041	0.24
	Transfer			4-May-2018	6,226	Purchase	2,84,267	0.25
	Transfer			11-May-2018	47,578	Purchase	3,31,845	0.29
	Transfer			18-May-2018	9,820	Purchase	3,41,665	0.30
	Transfer			1-Jun-2018	26,778	Purchase	3,68,443	0.32
	Transfer			8-Jun-2018	17,911	Purchase	3,86,354	0.34
	At the end of the Year						3,86,354	0.34
5	M/S. GUINNESS SECURITIES LIMITED	4,605	0.00				4,605	0.00
	Transfer			10-Aug-2018	48,940	Purchase	53,545	0.05
	Transfer			17-Aug-2018	79,196	Purchase	1,32,741	0.12
	Transfer			24-Aug-2018	1,82,050	Purchase	3,14,791	0.28
	Transfer			19-Oct-2018	(975)	Sell	3,13,816	0.28
	Transfer			2-Nov-2018	6,208	Purchase	3,20,024	0.28
	Transfer			16-Nov-2018	6,650	Purchase	3,26,674	0.29
	Transfer			23-Nov-2018	707	Purchase	3,27,381	0.29
	At the end of the Year						3,27,381	0.29
6	MRS. VAISHALI ARYA	2,53,827	0.22				2,53,827	0.22
	At the end of the Year						2,53,827	0.22
7	MR. CHETAN AGGARWALA	2,09,000	0.18				2,09,000	0.18
	At the end of the Year						2,09,000	0.18
8	MRS. KIRTI RAJNIKANT SHAH	1,82,000	0.16				1,82,000	0.16
	At the end of the Year						1,82,000	0.16
9	MR. KAMAL CH BARMAN	1,04,597	0.09				1,04,597	0.09
	Transfer			6-Apr-2018	7,000	Purchase	1,11,597	0.10
	Transfer			4-May-2018	1,111	Purchase	1,12,708	0.10
	Transfer			1-Jun-2018	292	Purchase	1,13,000	0.10
	Transfer			15-Jun-2018	7,000	Purchase	1,20,000	0.11
	Transfer			3-Aug-2018	10,000	Purchase	1,30,000	0.11
	Transfer			28-Sep-2018	9,000	Purchase	1,39,000	0.12
	Transfer			5-Oct-2018	5,000	Purchase	1,44,000	0.13
	Transfer			12-Oct-2018	7,488	Purchase	1,51,488	0.13
	Transfer			2-Nov-2018	6,840	Purchase	1,58,328	0.14
	Transfer			30-Nov-2018	5,600	Purchase	1,63,928	0.14
	Transfer			7-Dec-2018	4,300	Purchase	1,68,228	0.15
	Transfer			14-Dec-2018	8,597	Purchase	1,76,825	0.16
	Transfer			21-Dec-2018	4,000	Purchase	1,80,825	0.16
	At the end of the Year						1,80,825	0.16
10	MR. SANDEEP SHARMA	1,43,600	0.13				1,43,600	0.13
	At the end of the Year						1,43,600	0.13

- Notes : 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is ₹ 1,13,77,61,230.
2. The above details was as on 31.03.2019
3. The details of holding has been clubbed based on PAN.

Annexure to the Directors' Report

(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reasons	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 1st April, 2018	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2019	% of total Shares of the Company
1	Mr. Suresh Kumar Patni (Non-Executive Promoter Director)	21,86,403	1.92	-	-	-	21,86,403	1.92
2	Mr. Ankit Patni (Managing Director)	11,28,589	0.99	-	-	-	11,28,589	0.99
3	Mr. Ranjeet Kumar Burnwal (Executive Director)	-	-	-	-	-	-	-
4	Mr. Parama Bhattaraka Lahiri (Nominee Director)	-	-	-	-	-	-	-
5	Mr. Ankit Jain (Independent Director)	-	-	-	-	-	-	-
6	Mr. Jatindra Nath Rudra (Independent Director)	-	-	-	-	-	-	-
7	Mr. Ankit Rungta (Independent Director)	-	-	-	-	-	-	-
8	Mrs. Sujata Agarwal (Independent Director)	-	-	-	-	-	-	-
9	Mr. Vipul Jain (Chief Financial Officer)	-	-	-	-	-	-	-
10	Mr. Anil Prasad Shaw (Company Secretary)	-	-	-	-	-	-	-

VI INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (i.e. as on 01.04.2018)				
i) Principal Amount	2,51,639.04	7,426.56	-	2,59,065.60
ii) Interest due but not paid	8,830.46	-	-	8,830.46
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,60,469.50	7,426.56	-	2,67,896.06
Change in Indebtedness during the financial year				
Additions	4,442.95	-	-	4,442.95
Reduction	3,479.07	-	-	3,479.07
Net Change	963.88	-	-	963.88
Indebtedness at the end of the financial year (i.e. as on 31.03.2019)				
i) Principal Amount	2,50,297.42	7,426.56	-	2,57,723.98
ii) Interest due but not paid	11,135.96	-	-	11,135.96
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,61,433.38	7,426.56	-	2,68,859.94

Annexure to the Directors' Report

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Managing Director	Whole Time Director	Manager	Total amount
		Mr. Ankit Patni	Mr. Ranjeet Kumar Burnwal	N.A.	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	25,68,000.00	-	25,68,000.00
	(b) Value of perquisites u/s 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	-	-	-	-
5	Others	-	-	-	-
	Total (A)	-	25,68,000.00	-	25,68,000.00
	Ceiling as per the Act		₹ 1,20,00,000/- p.a.		

B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Directors				Total
1	Independent Directors	Mr. Ankit Jain	Mr. Jatindra Nath Rudra	Mrs. Sujata Agarwal	Mr. Ankit Rungta	
	(a) Fee for attending board committee meetings	20,000.00	25,000.00	12,500.00	17,500.00	75,000.00
	(b) Commission					
	(c) Others, please specify					
	Total (1)	20,000.00	25,000.00	12,500.00	17,500.00	75,000.00
2	Other Non Executive Directors	Mr. Suresh Kumar Patni	Mr. Parama Bhattaraka Lahiri			
	(a) Fee for attending board committee meetings	22,500.00	10,000.00			32,500.00
	(b) Commission	-				-
	(c) Others, please specify	-				-
	Total (2)	22,500.00	10,000.00	-	-	32,500.00
	Total (B)=(1+2)					1,07,500.00
	Total Managerial Remuneration	-	-	-	-	
	Overall Ceiling as per the Act.		₹ 1,00,000/- (Per Meeting)			-

Note: **Sitting fees was excluding of TDS. Actual Payment was made after deduction of 10% TDS.**

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	Gross Salary	Mr. Anil Prasad Shaw	Mr. Vipul Jain	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	5,72,004	7,42,520	13,14,524
	(b) Value of perquisites u/s 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	-	-	-
5	Others	-	-	-
	Total	5,72,004	7,42,520	13,14,524

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Annexure to the Directors' Report

ANNEXURE - II

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
M/s. Rohit Ferro-Tech Limited
35, Chittaranjan Avenue,
Kolkata – 700 012

1. We have conducted the Secretarial Audit of M/s. Rohit Ferro-Tech Limited having its registered office at 35, Chittaranjan Avenue, Kolkata – 700012 and (hereinafter called “The Company”), for the Financial Year ended on 31st March, 2019 (“the period under review”). The aforesaid Secretarial Audit has been conducted pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with the Guidance Note on Secretarial Audit (Release-1.2) of The Institute of Company Secretaries of India, in a manner that provided us a reasonable basis for evaluating the corporate conduct and the process of statutory compliances under various statutes, rules, regulations, guidelines, as indicated herein below in the instant report and as such expressing my opinion thereon.
2. Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2019 and as shown to us during our audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (vi) Other than the fiscal, labour and environmental laws, which are generally applicable to all manufacturing, trading companies, there is no such law that applies specifically to the Company. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.
 - (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the period under review:-
 - a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Annexure to the Directors' Report

- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
4. We have also examined compliance of Secretarial Standards (SS 1 and SS 2) issued by the Institute of Company Secretaries of India.
 5. During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Standards, etc. mentioned above except to the extent as mentioned below:
 - It has been observed that the Company has defaulted in the payment of statutory dues within the prescribed time.
 6. We further report to the best of our understanding that,
 - a) The Board of Directors of the Company is duly constituted as per the provision of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the time being. The changes in the Board of Directors during the period under review is fully complied.
 - b) Adequate notice is given to all Directors for the Board and Committee Meetings. Agenda and notes on agenda were sent in advance, and further information and clarifications on the agenda items were provided for meaningful participation at the meeting.
 - c) All decisions at Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the year under audit:

1. The accumulated losses of the Company have eroded the entire net worth of the Company indicating the uncertainty about the Company's ability to continue on a Going Concern basis.
2. SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI. NSE vide its communication dated July 12, 2019 informed us that SEBI had revoked all the actions/ directions/ order/ limitations issued by them in its letter dated August 7, 2017 against the Company. No other strictures or penalty were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years.
3. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 36923 Equity Shares during the year under review in respect of shares on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with National Securities Depository Limited (NSDL).

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.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the Company for compliance under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

For **K. C. Dhanuka & Co.**
Company Secretaries

CS K. C. Dhanuka
Proprietor

FCS No.: 2204
C. P. No: 1247

Date : 14th August, 2019
Place : Kolkata

Annexure to the Directors' Report

ANNEXURE - III

Secretarial compliance report of Rohit Ferro-Tech Limited For the year ended 31st March, 2019.

We have examined:

- all the documents and records made available to us and explanation provided by Rohit Ferro- Tech Limited ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, We hereby report that, during the Review Period:

- The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
			Nil.....

- The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE and NSE vide order dated 31.01.2018	SEBI vide its Letter No. SEBI/HO/ISD/OW/P/ 2019/18926 dated 09.08.2019 declared as shell company.	Advice for Forensic Audit.	Forensic Audit Report submitted by Auditor to the exchanges and the disposal cases pending with the stock exchanges.

- The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-----NOT APPLICABLE-----				

For K. C. Dhanuka & Co.
Company Secretaries

CS K. C. Dhanuka
Proprietor
FCS No. - 2204
C.P. No. - 1247

Kolkata, 20th May, 2019

Annexure to the Directors' Report

ANNEXURE – IV

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.

SN	Name of Director/ KMP & Designation	Remuneration of Director/ KMP for Financial Year 2018-19 (₹ in Lacs)	% Increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. R. K. Burnwal (Executive Director –Works)	25.68	NIL	9.24
2.	Mr. Anil Prasad Shaw (Company Secretary)	5.72	10.00	2.05
3.	Mr. Vipul Jain (CFO)	7.43	17.93	2.67

- i) No other Director other than Whole Time Director received any remuneration other than sitting fees during the Financial Year 2018-19.
- ii) In the Financial Year, there was an increase of 0.19 % in the median remuneration of employees.
- iii) There were 339 Permanent employees on the rolls of Company as on 31st March, 2019.
- iv) The remuneration of the Key Managerial Personnel put together is ₹ 38.83 Lacs which increased by 4.42% from ₹ 37.18 Lacs.
- v) The key parameter for any variable component of remuneration availed by director considered by Board of Director on recommendation of Nomination & Remuneration Committee as per Remuneration policy of the Company.
- vi) It is hereby declared that the remuneration of Directors/KMPs/Senior Management Personnel for the Financial Year 2018-19 are as per the Remuneration Policy of the Company.

*Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company for the year under review.

For and on behalf of the Board
Rohit Ferro-Tech Limited

Suresh Kumar Patni
Chairman

Kolkata, 14th August, 2019

Annexure to the Directors' Report

ANNEXURE - V

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required pursuant to Section 134(3)(m) of the Companies Act, 2013.

A) Conservation of Energy

i. Steps taken for Conservation of Energy

- Continuously monitoring of energy consumption and taking necessary action for optimisation of power consumption.
- Using power factor controller/capacitors to maintain power factor.
- Keeping maximum demand under control by scheduling other load during equipment testing, among others
- Effective maintenance and daily monitoring of Capacitor bank for improvement of power factor
- Right sizing of motors
- Modifications in lighting circuits to switch off light when not required

ii. Steps taken for Utilizing Alternate Source of Energy

- Installation of energy efficient light fittings in shop floor, offices and other areas
- Installation of HT & LT Capacitor bank
- Installation of VVVF driver with ID fans
- Replacement of old motors with energy efficient motor

iii. Capital investment on energy conservation equipment

Due to huge loss for the year under review the Company is not able to make any fresh capital investment on energy conservation.

B) Technology Absorption

i. Efforts made towards technology absorption

The Company has adopted and is continually updating the latest available technology to extent possible including process & product development and energy savings.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution

- Improvement in the quality of its products
- High Chromium recovery in finished goods
- Better Metal recovery from Slag
- Improvement in the safe and environment friendly process.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) - Nil

iv. Expenditure incurred on Research and Development

- | | |
|--|-------|
| a) Capital | Nil |
| b) Recurring | Nil |
| c) Total | Nil |
| d) Total R & D expenditure as a percentage of total Turnover | 0.00% |

C) Foreign Exchange Earnings and Outgo for FY-2018-19

Sl. No.	Particulars	₹ in Crores
1	Foreign exchange earned	NIL
2	Foreign exchange used	26.79

For and on behalf of the Board
Rohit Ferro-Tech Limited

Suresh Kumar Patni
Chairman

Kolkata, 14th August, 2019

Management Discussion and Analysis Report

Economic Overview

Global growth of economy was remained steady at 3.6 % in 2018 and growth is expected to remain steady for the coming years.

The India's GDP growth for Financial year 2019-20 is expected to be 6%, boosted by conducive policy reforms and a credit rebound. The nation is currently experiencing a favourable phase of growth based on strong macro fundamentals of the economy, making growth prospects sustainable. Growth is expected to pick up in the second half of 2019. India also has an opportunity to strengthen its recent economic gains by initiating more integration in the global value chain. Factors such as a young working population, improving business climate and renewed focus on export expansion would support this opportunity.

Ferro Alloys Industry

Ferro chrome is an alloy of chrome and iron which is primarily used in manufacturing stainless steel.

Ferro-alloys are critical additives in the production of Iron & Steel and the fortune of Ferro Alloys Industry is directly linked with the growth of Iron & Steel Industry. The Company produces Ferro chrome and Manganese based alloys.

Indian Ferro Chrome Industry

The Indian Ferro chrome production is gradually on increasing track in the Year 2019 as compared to the growth of the Year 2018. The country's exports of annual Ferro chrome is also showing a gradual and significant value .

The demand for Ferro Chrome is expected to remain on increasing trend in the near future. Due to slowly revival of world economy high demand of infrastructure projects are expected to raise demand for Stainless Steel and Ferro Chrome.

The industry is expected to see substantial consolidations which will drive market discipline and cut down inefficiencies in the production capacity. India holds a lot of promise with government initiatives easing mining operations for consolidated Ferro Alloys producers

Steel Industry

The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour.

Government of India's focus on infrastructure and undertaking road projects is aiding the boost in demand for steel.

Stainless Steel Industry

India's per capita consumption for stainless steel products is continue to be below the world average which may cause a massive unrealised potential for steel demand growth. There is an ongoing thrust for infrastructure development which will further boost the demand for stainless steel in the country. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Moreover, growing urbanisation and disposable income will also enhance demand of stainless steel. Consequently, the steel sector has been a major contributor to India's manufacturing output.

Outlook

The steel sector has been a major contributor to India's manufacturing output which in turn depends on increase in automotive production and the development of construction sector.

The proportion of use of Ferro chrome depends upon the grade of stainless steel being produced which can be upto 30% of the total input of production. The demand for Ferro chrome is expected to increase gradually in future. Rising investment in the infrastructure and real estate sectors and increase in number of construction activities are promising a slow but gradually demand for stainless steel products.

Rohit Ferro is the one of the significant manufactures Ferro chrome in Eastern India. The Company currently operates two manufacturing complexes at Jajpur in Oddisa and Bishnupur paInt in west Bengal and has an integrated management system that encompasses quality, environment and occupational health and safety certification.

Details of Significant change in Key Financial Ratio:

The significant changes in the financial ratios of the Company, which are more than 25% as Compared to the previous year are summarised below:

Ratio	F.Y.2018-19	F.Y. 2017-18	Change (%)	Reason for change
Operating Profit Margin (%)	(15.54)	(39.66)	60.83	Better sales realisation and cost control
Net Profit Margin (%)	(31.19)	(46.33)	32.69	Better sales realisation and cost control
Current Ratio (X)	0.31	0.41	(25.37)	Decrease in trade receivables, Loans and Advances and increase in current borrowings

Management Discussion and Analysis Report

Ratio	F.Y.2018-19	F.Y. 2017-18	Change (%)	Reason for change
Interest Coverage Ratio (X)	(2.70)	(5.37)	49.69	Increase in sales realisation and cost control
Debtors Turnover Ratio (X)	1.91	1.29	48.57	Provisioning of debtors, Increase in realisation and turnover
Inventory Turnover Ratio (X)	8.34	3.00	177.78	Lower stock level maintained and Just-In-Time approach

Risk, Opportunities and Threats

The Company manufactures ferro alloys as well as stainless steel. In Financial Year 2018-19 the overall growth of stainless steel business was satisfactory with slower increase in demand. Though increase of demand in year under review was satisfactory, the business was severely impacted by the increase in cost of raw material and oversupply by China. The domestic consumption of steel is likely to increase 2019-20 due to Government initiatives like make in India, building Smart Cities, focus on sanitation facilities, and development in areas of roads and railways etc.

Further, the electrical energy is one of the major inputs in production of ferro alloys and high power tariff is a great threat for the Ferro alloys industry. High power cost has already impacted us severely and that led to suspension of our plant at Haldia since 1st July, 2015.

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives. All identified risks are categorised based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to extent possible

The government has already initiated so many steps for the betterment of Indian economy and has also undertaken two large initiatives viz. putting more money into the rural economy especially after demonetisation and putting a renewed focus on infrastructure development and this would certainly enable the ferro alloys and steel producers to survive and grow in the markets.

Segment-wise performance

Ferro Alloys

During the year under review the Company has produced 63749 MT of Ferro Alloys against 57150 MT of Ferro Alloys in previous year registering an increase of 11.55% over previous year.

Iron & Steel

During the year under review, the Company has produced 57818 MT of Stainless Steel against 48205 MT in previous year registering an increase of 19.94% over previous year.

The secondary segment details identified as the geographical segment based on the location of customers within India and outside India is given in notes no. 37 to the Annual Accounts.

Health, Safety and Environment

The Company is committed to conducting its activities in a manner that promotes the health and safety of its employees, assets and the public, as well as protection of the environment. The Company's Integrated Management System comprises of quality, environment and occupational health and safety certification. New employees are being given intensive safety induction training and are being issued with "Safety Passports" related to their work area. All the statutory requirements related to safety, health and environment are being complied with.

Requirements of environmental acts and regulations are complied with. Monitoring and analysis of water, stack emissions and ambient air quality etc., are undertaken periodically to verify whether the level of environmental parameters are maintained and are well within the specified limits.

Internal Controls Systems and their adequacy

Your Company maintains adequate Internal Control Systems in all areas of operation. Services of Internal and External Auditors are utilized from time to time, as also in-house expertise and resources. The Company continuously upgrade these systems in line with the best available practices. An independent Audit Committee of the Board reviews the adequacy of Internal Control. Some significant features of Internal Control Systems are :

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all important functions.
- Deployment of an ERP system which covers most operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards, and internal procedures and systems.

Management Discussion and Analysis Report

- Ensuring the integrity of the accounting system; the properly authorised recording and reporting of all transactions.
- Ensuring a reliability of all financial and operational information.

The Company has an Audit Committee with majority of independent directors as members. The committee periodically reviews significant audit findings, adequacy of internal control and compliance with Accounting Standards, amongst others. The Internal Audit Reports are placed before the Audit Committee for consideration. The management duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the independent Audit Committee of the Board of Directors. The Company also takes quarterly compliance certificate in respect of various applicable laws from the concerned departmental heads and place the same before the board.

Industrial relations and Human Resources

Human Resource management is not only important but also a critical asset for a Company's growth. The Company's human capital comprises a prudent mix of youth and experience. The Company employs contract labour in its manufacturing facilities. The Company partners with its employees to ensure a highly engaged and motivated workforce dedicated to achieving the Company's goals. We ensure a safe work environment for all our women employees. We also promote gender equality. Abiding by the Sexual Harassment Policy, we have a Complaint Committee which addresses any complaint from women employees in this relation and take necessary action. The Policy is being reframed as per the provision of Sexual Harassment of Women at the Work Place (Prevention, Prohibition & Redressal) Act, 2013. During the year the Company has not received any complaints of sexual harassment. As on date of this report, the Company has 339 employees on its payroll.

Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objective and predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company doesn't undertake to update the statements.

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance is to achieve the highest levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company has always been taking the spirit of various legislations as guiding principles and proposes to go well beyond statutory compliance by establishing such systems and procedures as are required to make the management completely transparent and institutionally sound.

BOARD OF DIRECTORS

A. Board composition and category of Directors

The composition of the Board and category of Directors as on 31st March, 2019 are as follows:

Category	Name of Directors
Non-Executive Non-Independent Directors	1. Mr. S.K. Patni (Chairman)
Executive Director	1. Mr. Ankit Patni * (M.D.) 2. Mr. R.K. Burnwal**
Independent Directors	1. Mr. Jatindra Nath Rudra*** 2. Mr. Ankit Rungta 3. Mrs. Sujata Agarwal 4. Mr. Ankit Jain
Nominee Director (Nominated by the State Bank of India)	1. Mr. P.B. Lahiri #

* Re-appointed by Board w.e.f. 29.08.2019 without any remuneration

** Re-appointed w.e.f. 24.03.2019

*** Resigned w.e.f. 14.08.2019

Resigned w.e.f. 30.05.2019

None of the Directors on the Board are member of more than 10 (ten) Committees and they do not act as Chairman of more than 5 (five) Committees across all the Companies of which they are the Directors. The Directors regularly inform the Company about the changes in their positions as and when changes take place, apart from the annual disclosures. Mr. Ankit Patni, Managing Director of the Company, currently not in receipt of any remuneration from the Company

All Independent Directors have given necessary declaration of independence under Section 149(7) of the Act and Regulation 25(8) of the SEBI LODR. In the opinion of the Board, the Independent Directors meet the requirements prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR and are independent of the management.

Except Mr. S. K. Patni who is relative of Mr. Ankit Patni, no other Director is, *inter-se*, related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company.

The details of familiarization programmes have been placed on the website of the Company under the web link: <https://www.rohitferrotech.com/familiarization-programme.html>.

The Board has identified the following skill/expertise/competencies required for effective functioning of of the Company:

1. Business Experience
2. Financial experience and risk oversight
3. Maintenance of harmonious relationship with Banks
4. Sales & Marketing
5. Governance and regulatory oversight
6. Managerial & Entrepreneurial skills

B. Meeting attended, Agenda & other Directorship:

The composition and category of the Board of Directors of the Company as on 31st March, 2019 along with the number of Board meetings attended by the Directors during the year 2018-19 are given below:

Corporate Governance Report

Name of the Director	No. of Board Meetings Attended	No. of Directorship in other Public Limited Companies incorporated in India	No. of Committee positions held in other Public Limited Companies \$1		No. of Shares held	Whether attended the Last AGM	Directorship in other listed companies
			As Member	As Chairman			
Mr. Suresh Kumar Patni	3	5	1	-	2186403	Yes	In Ankit Metal and Power Ltd. as Non executive Director and in Impex Ferro Tech Ltd. as Chairman cum Managing Director.
Mr. Ankit Patni	1	5	3	-	1128589	No	In Ankit Metal and Power Ltd. as Managing Director and in Impex Ferro Tech Ltd. as Non executive Director.
Mr. Jatindra Nath Rudra*	3	1	1	1	-	Yes	In Ankit Metal and Power Ltd. as an Independent Director.
Mr. Ankit Rungta	2	1	-	1	-	No	NIL
Mrs. Sujata Agarwal	1	3	-	2	-	Yes	As Independent Director both in Ankit Metal and Power Ltd. and Impex Ferro Tech Ltd.
Mr. R.K. Burnwal	2	-	-	-	-	No.	NIL
Mr. P.B. Lahiri	4	-	-	-	-	Yes	NIL
Mr. Ankit Jain	2	1	1	1	-	Yes	In Ankit Metal and Power Ltd. as an Independent Director.

Notes:

\$1 Only the two committees viz. Audit Committee and Stakeholder Relationship Committee are considered for this purpose.

* Resigned w.e.f. 14.08.2019.

4 (Four) Board Meetings were held during the year 2018-19 and the gap between two meetings is not exceed one hundred and twenty days. The dates on which the Board Meetings were held are as follows:

30th May, 2018, 14th August, 2018, 14th November, 2018 and 13th February, 2019. During the year under review one meeting was held by resolution by circulation on 30.03.2019.

The Agenda papers along with the explanatory notes for Board Meetings are circulated well in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board Meetings. Every Board Member is free to suggest items for inclusion in the Agenda.

INFORMATION PLACED BEFORE BOARD OF DIRECTORS

The Company has complied with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 read with regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

Corporate Governance Report

INDEPENDENT DIRECTORS MEETING

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 28th March, 2019 without the presence of the Chairman & Executive Director, the Non-Executive Non-Independent Directors and the Management Team. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Mr. Ankit Jain was the Chairman of the Independent Directors Meeting.

ATTENDANCE OF DIRECTORS IN INDEPENDENT DIRECTORS MEETING.

Name of Directors	Meeting held during the year	Meeting Attended
Mr. Ankit Jain	1	1
Mr. Ankit Rungta	1	1
Mr. Jatindra Nath Rudra*	1	1
Mrs. Sujata Agarwal	1	1

* Resigned w.e.f. 14.08.2019

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company at www.rohitferrotech.com.

All Board Members and Senior Managerial Personnel have confirmed compliance with the code.

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

CODE OF CONDUCT OF INDEPENDENT DIRECTORS

As per the provisions of Section 149(8) of the Companies Act, 2013, the Independent Directors shall abide by the provisions specified in Schedule, which lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company.

COMMITTEES OF DIRECTORS:

1. AUDIT COMMITTEE

The Company has an Audit Committee within the scope & role as set out in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with Section 177 of the Companies Act, 2013.

The composition of the Audit Committee and the details of meetings attended by the Committee Members are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Ankit Jain	Chairman	Independent/Non-Executive	3
Mr. Ankit Rungta	Member	Independent/Non-Executive	3
Mrs. Sujata Agarwal	Member	Independent/Non-Executive	2

The Executive Director and Chief Financial Officer are permanent invitees to the Committee. The Company Secretary acts as Secretary of the Audit Committee. The representative of Internal Auditors also attends the meeting. The Audit Committee invites, as and when considered appropriate, the representatives from the Statutory Auditors and Cost Auditors to be present at the meeting of the Committee.

The Audit Committee comprises of 3 (three) Directors all of whom are financially literate. All the members of the Committee are Independent/Non-Executive. Mr. Ankit Jain, Independent Director having expertise in Finance, is the Chairman of the Audit Committee. Mr. Ankit Jain, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 27th September, 2018.

During the Financial Year ended 31st March, 2019, 4 (four) Audit Committee Meetings were held on 30th May, 2018, 14th August, 2018, 14th November, 2018 and 13th February, 2019.

Corporate Governance Report

The role of the Audit Committee shall include the following:

1. To oversee the Company's Financial Reporting Process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment, re-appointment, terms of appointment, replacement or removal and remuneration of the auditors.
3. To examine the Financial Statements and Auditors' Report thereon including approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. To review, with the management, the quarterly Financial Statements before submission to the Board for approval.
5. To review, with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the Financial Statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to Financial Statements
 - f. Disclosure of any related party transactions.
 - g. Qualifications/modified opinion in the draft audit report.
6. To approve or subsequently modify the transactions of the Company with related parties.
7. To review, 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.
8. To review, with the management and monitor the auditor's independence and performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems and effectiveness of audit process including Internal Financial Control and Physical Stock Verification Process.
9. To scrutinize inter-corporate loans and investments, if any.
10. To evaluate of undertakings or assets of the Company, wherever it is necessary.
11. To evaluate the Internal Financial Controls and Risk Management Systems.
12. To monitor the end use of funds raised through public offers and related matters, if any.
13. To review the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
14. To discuss with Internal Auditors any significant findings and follow up there on.
15. To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
16. To call for comments of the auditors about Internal Control Systems, scope of audit, including the observations of the Auditors and review of Financial Statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the management of the Company.
17. To give an option to the Auditors and the Key Managerial Person of the Company to be heard at the Audit Committee Meeting while considering the Auditors' Report.
18. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. 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.
20. To approve the 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 & background, etc. of the candidate.

Corporate Governance Report

21. To establish a Vigil Mechanism for the directors and employees of the Company to report genuine concerns in certain matters. The Mechanism shall provide adequate safeguard against victimization of persons who use the mechanism. The Chairman of the Audit Committee shall be easily available for the same.
22. To carry out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.
23. To review w.e.f. 1st April,2019 the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on 01.04.2019.

2. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination & Remuneration Committee having terms of reference & constitution in accordance with the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Committee consists of 3 (three) Non-Executive/Independent Directors. During the Financial Year ended 31st March, 2019, 3 (three) Committee Meetings were held on 30th May, 2018, 1st October, 2018 and 13th February, 2019.

The Nomination and Remuneration Committee was re-constituted on 14th August, 2019.

The present composition of the Nomination and Remuneration Committee and details of the meeting attended by the member are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Jatindra Nath Rudra*	Chairman	Independent/Non-Executive	3
Mr. Ankit Rungta	Member	Independent/Non-Executive	2
Mr. Ankit Jain	Member	Independent/Non-Executive	3
Mr. Sharat Malik**	Member	Independent/Non-Executive	N.A.

* Resigned w.e.f. 14.08.2019

** Appointed w.e.f. 14.08.2019

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. To identify person who are qualified to become Directors and who may be appointed in Senior Management as per their criteria;
2. To recommend to the Board the appointment and removal of the Directors and Senior Management and to recommend/ approve if required the related party's appointment to any office or place of profit in the company, its subsidiary company or associate company along with its terms, conditions and compensation under section 188(1)(f) of the Companies Act,2013.;
3. To carry out evaluation of every director's performance
4. To formulate criteria for determining qualification, positive attributes and independence of a Director;
5. Devise a policy on Board diversity;
6. To recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees;
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
8. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
9. To perform such other functions as may be necessary or appropriate for performance of its duties.

The Chairman of Nomination and Remuneration Committee was present at the 18th Annual General Meeting of the Company held on 27th September, 2018.

REMUNERATION POLICY OF THE COMPANY:

A. Remuneration to Managing Director/Executive Director/ KMP and Senior

Management Personnel:

i) Fixed pay:

The Managing Director/Executive Directors/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration and perquisites as may be approved by the Board on the recommendation of the Committee. The statutory

Corporate Governance Report

and retrial benefits shall be paid as per the applicable laws.

The remuneration to be paid to the Managing Director/Executive Directors shall be paid on recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii) Minimum Remuneration:

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive Director in accordance with the provisions of Part-II of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii) Provisions for excess remuneration:

If any Managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

B. REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:

Sitting fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- (Rupees One Lac only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Commission:

No Commission shall be paid.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The Remuneration Policy is also posted on the Company's Website, www.rohitferrotech.com

REMUNERATION OF EXECUTIVE DIRECTORS

The Company has paid remuneration only by way of salary to its Executive Directors and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board as well as by the shareholders of the Company. Details of remuneration paid during 2018-19 are as follows:

Name of the Director and Designation	Salary paid (Rs.)	Period of Contract		Notice Period
		From	To	
Mr. Ankit Patni (Managing Director) *	N.A.	29.08.2016	28.08.2019	2 months
		*29.08.2019	28.08.2022	
Mr. R.K. Burnwal (Executive Director) **	25,68,000	24.03.2019	23.03.2022	1 months

* Re-appointed w.e.f. 29.08.2019 by Board for a further period of 3 years and currently not in receipt of any remuneration from the Company.

** Re-appointed w.e.f. 24.03.2019 by Board.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors consists of only sitting fees @ Rs. 2,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the equity shares held by them as on 31st March, 2019 are as follows:

Name of the Member	Sitting Fee paid (₹)	No. of Shares held as on 31 st March, 2019
Mr. Suresh Kumar Patni	22,500	21,86,403
Mr. Ankit Rungta	17,500	Nil
Mrs. Sujata Agarwal	12,500	Nil
Mr. Jatindra Nath Rudra*	25,000	Nil
Mr. P.B. Lahiri**	10,000	Nil
Mr. Ankit Jain	20,000	Nil

*Resigned w.e.f. 14.08.2019

**Resigned w.e.f. 30.05.2019

Corporate Governance Report

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Board Evaluation Policy has been formed and approved by the Nomination and Remuneration Committee and by the Board. The Chairman and Managing Director is evaluated on key aspects of the role which includes inter-alia effective leadership to the Board and adequate guidance to the each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, and Individual were evaluated at satisfaction level. During the year under review, the Independent Directors of the Company reviewed the performance of Non- Independent Directors and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued when required. All the directors are participative, interactive and communicative. The Chairman has abundant knowledge experience, skills and understanding of the Board's functioning, processes. The information flow between your Company's Management and the Board is timely & sufficient.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance of provision of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Stakeholders Relationship Committee has been constituted to specifically look into the transfer of Equity Shares/transmission of Equity Shares/issuance of duplicate Equity Share certificates, complaints received from the shareholders of the Company and other allied connected matters.

The Stakeholders Relationship Committee was re-constituted on 14.08.2019.

The Stakeholders Relationship Committee consists of 3 (three) Non-Executive Directors, out of which 2 (two) are Independent Directors. The Chairman of the Committee is an Independent Director.

The broad terms of reference includes the following:

- a. To review and ensure compliance of statutory provisions of the Companies Act, 2013, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares/debentures of the Company.
- b. To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- c. Approve transfers/transmission of shares/debenture and demat/remat of the shares/debenture.
- d. Approve issue of duplicate shares certificates/debenture certificates, issue of certificates on consolidation/sub-division/rematerialisation.
- e. To consider and resolve all shareholders queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, review of measure taken for effective exercise of voting right by shareholders etc. are attended and redressed in an expeditious manner.
- f. Monitor implementation of Company's Code of Conduct for Prohibition of Insider Trading.
- g. Review of measures taken for effective exercise of voting rights by shareholders.
- h. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- i. Any other matter referred by the Board relating to equity shareholders of the Company.

During the year under review, the Committee has met 5 (five) times on 13th September, 2018, 1st November, 2018, 29th November, 2018, 25th February, 2019 and 14th March, 2019 .

The composition of the committee and the attendance of the members in the meeting are given hereunder:

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	1
Mr. Jatindra Nath Rudra*	Member	Independent/Non-Executive	4
Mr. Suresh Kumar Patni	Member	Promoter/Non-Executive	5
Mr. Sharat Malik**	Member	Independent/Non-Executive	N.A.

*Resigned w.e.f. 14.08.2019

**Appointed w.e.f. 14.08.2019

The Chairman of the Stakeholders' Relationship Committee was present at the 18th Annual General Meeting, held on 27th September, 2018.

Corporate Governance Report

The Company Secretary and Compliance officer Mr. A.P. Shaw has been designated as Secretary to the Committee. The Committee has delegated the authority to approve the requests for transfers/transmission, to deal with complaints, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting. During the Financial Year ended 31st March, 2019, the Company has received only 2 complaints from the shareholders and the same were resolved within prescribed time. There was no complaint pending for the year 2018-19.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board of Directors was constituted on 7th May, 2014 in terms of the provision of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules 2014. The objective, composition & terms of reference of the Committee are as under:

a. Policy Objective:

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. The main objective of this Policy is to set a guiding principle for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

b. Role:

The Committee, referred above, shall

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;
- Be responsible for implementation and monitoring of CSR projects or programmes or activities of the Company.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

c. Activities/Projects

The Company shall undertake any of the activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

The composition of the Committee is as under:

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	1
Mr. Suresh Kumar Patni	Member	Promoter/Non-Executive	1
Mr. R.K. Burnwal	Member	Executive	1

During the year under review there was 1 (one) committee meeting held on 28th March, 2019.

Due to the losses incurred by the Company during year under review, the obligations of making expenditure on account of CSR does not arise. However, as a matter of routine, the Company has undertaken certain CSR initiative like installation of water purifier, plantation of various fruit plants for villagers, distribution of food materials to students and some other social activities for villagers etc.

5. EXECUTIVE COMMITTEE:

An Executive Committee was constituted on 14th February, 2015 and the present composition of the Executive Committee are given below as under :

Name of the Member	Designation	Category
Mr. Suresh Kumar Patni	Chairman	Non-Executive
Mr. Ankit Patni	Member	Executive
Mr. R. K. Burnwal	Member	Executive

* Currently not in receipt of any remuneration from the Company.

The Company Secretary acts as Secretary to the Committee.

Corporate Governance Report

The brief description of terms of reference:

The Committee is constituted with powers and responsibilities including but not limited to

- To review and follow up on the action taken on the Board decisions;
- To review the operations of the Company in general;
- To review the systems followed by the Company;
- To review, propose and monitor annual budget including additional budget, if any, subject to the ratification of the Board;
- To review capital expenditure against the budget;
- To authorise opening and closing of bank accounts;
- To authorise additions/deletions to the signatories pertaining to banking transactions;
- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivative products;
- To delegate and authorise the Company officials to represent and appear before the various courts, government authorities on behalf of the Company;
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference;
- To execute Power of Attorney in favour of Company officials to represent and appear before the various courts, government authorities on behalf of the Company;

Further, the Executive Committee is empowered to do the following:

- To seek information from any employee as considered necessary
- To obtain outside legal professional advice as considered necessary;
- To secure attendance of outsiders with relevant expertise; and
- To investigate any activity within terms of reference.
- To do such things as may be delegated to it from time to time by Board.

Prohibition of Insider Trading:

The Company has adopted a Code of Conduct for Prohibition of Insider Trading under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in the equity shares of the Company by the directors and designated employees. In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Board has approved and adopted a code of conduct governing all the directors, senior management and other employees at all locations of the Company. Mr. A.P.Shaw, Company Secretary has been designated as Compliance Officer in respect of compliance of the Code. Code of Conduct is posted on the Company's website.

Compliance Officer:

Mr. Anil Prasad Shaw, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

GENERAL BODY MEETING:

The last three Annual General Meetings were held as under:

Financial Year	Date	Place	Time
2017-18	27 th September, 2018	Rotary Sadan 94/2, Chowringhee Road, Kolkata – 700 020	11.00 a.m.
2016-17	21 st September, 2017	Paschimbanga Bangla Academy, Rabindra-Okakura Bhawan, DD-27/A/1, DD Block, Salt Lake, Sector-I, Kolkata – 700 064	11.00 a.m.
2015-16	29 th September, 2016	Aikatan, Eastern Zonal Cultural Conference (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata- 700 097	10.00 a.m.

Corporate Governance Report

Special Resolutions Passed At The Last Three AGM:

Financial Year	Items
2017-18	Approval for continuation of directorship of Mr. J.N. Rudra who had already attained the age of 75 Years in terms of amended Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .
2016-17	NIL
2015-16	Appointment of Mr. Ankit Patni as Managing Director of the Company.

No Special Resolution was passed through Postal Ballot in the last year AGM. No Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

There was no Special Resolution Passed By Postal Ballot During the Financial Year 2018-19.

Means of Communication

Financial Results

In compliance with the requirements of the Uniform Listing Agreements/Listing Regulations with Stock Exchanges, the Company has intimated Audited Financial Results as well as the Unaudited Quarterly Results to the Stock Exchanges immediately after they are taken on record by the Board. Further coverage has been given for the information of the shareholders and investors by publication of the Financial Results in English National Daily-“Financial Express” and in a local vernacular newspaper-“Ekdin” (previously Dainik statesman) widely circulated in the state of West Bengal. The results were also placed on the Company's website at www.rohitferrotech.com.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting (AGM)

Day, Date & Time	:	Wednesday 25 th September, 2019 at 11.00 A.M.
Venue	:	Rotary Sadan”, 94/2,Chowringhee Road, Kolkata – 700 020

2. Date of Book Closure/

Cut-off date

3. Dividend payment date

4. Financial Calendar

Indicative calendar of events for the Financial Year 2019-2020 is as under:

Financial Year - 1st April to 31st March

FINANCIAL REPORTING FOR THE QUARTERS

First Quarter	Held on 14 th August, 2019
Second Quarter and Half Yearly	Within 45 days from the end of the quarter
Third Quarter and Nine Months	Within 45 days from the end of the quarter
Fourth Quarter and Annual (Audited)	Within 60 days from the end of the quarter/Financial year
Annual General Meeting	On or before 30 th September, 2020

5. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
BSE Limited(BSE)	“Phiroze Jeejeebhoy Tower” Dalal Street, Mumbai-400 001	532731
The National Stock Exchange of India Ltd. (NSE)	“Exchange Plaza” Bandra-Kurla Complex Bandra (E), Mumbai-400 051	ROHITFERRO

The International Security Identification Number (ISIN) for **NSDL & CDSL**: INE248H01012

The Company has paid the Listing Fee for the year 2019-20 to the Stock Exchanges where the shares of the Company are listed.

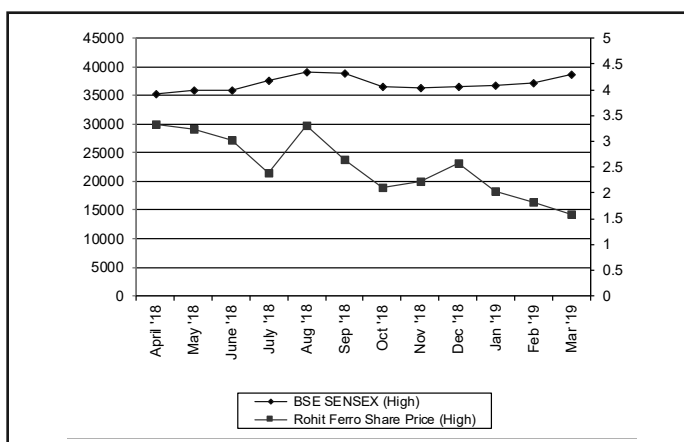
Market Price Data

The Stock Market data on BSE & NSE for the last twelve months are provided herein:

Corporate Governance Report

Month	National Stock Exchange of India Limited (Rs)		BSE Limited (Rs)	
	HIGH	LOW	HIGH	LOW
April, 2018	3.40	2.3	3.32	2.1
May, 2018	3.15	2.35	3.24	2.31
June, 2018	2.90	2.00	3.02	1.99
July, 2018	2.40	1.70	2.38	1.65
August, 2018	3.00	1.85	3.30	1.89
September, 2018	2.70	1.90	2.65	1.95
October, 2018	1.95	1.55	2.10	1.75
November, 2018	2.20	1.65	2.22	1.8
December, 2018	2.40	1.70	2.58	1.81
January, 2019	1.70	1.45	2.03	1.68
February, 2019	1.45	1.00	1.83	1.66
March, 2019	1.35	1.00	1.58	1.33

Performance of the Company in comparison with BSE Sensex



Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd. of 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 is the Registrar and Share Transfer Agent of the Company, both for Physical and Demat segments. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

Share Transfer System

The share transfer requests are processed on behalf of the Company by Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. and are placed before the Company Secretary who has been delegated the authority by Stakeholders Relationship Committee to approve transfers. The Company Secretary addresses all the requests fortnightly.

Distribution of Shareholding as on 31st March, 2019

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total
Upto 500	11,312	64.71	21,05,580	1.85
501 to 1000	2,450	14.02	21,50,654	1.89
1001 to 2000	1,451	8.30	23,23,053	2.04
2001 to 3000	579	3.31	15,22,156	1.34
3001 to 4000	316	1.81	11,48,996	1.01
4001 to 5000	311	1.78	14,94,332	1.31
5001 to 10000	547	3.13	41,46,697	3.65
10001 and above	515	2.95	9,88,84,655	86.91
Total	17,481	100.00	11,37,76,123	100.00

Corporate Governance Report

Category & Shareholding Pattern as on 31st March, 2019

Category	No. of Shares	% of holding
Promoter & Promoter Group	8,19,17,842	72.00
Individuals	2,81,32,188	24.73
NBFC registered with RBI	13,417	0.01
Bodies Corporate	23,41,666	2.06
Non-Resident Individuals	11,02,017	0.97
Clearing Member	2,07,515	0.18
IEPF Authority	61,478	0.05
Total	11,37,76,123	100.00

Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form which is available for trading on both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2019, 11,37,61,471 Equity Shares representing 99.99 % of the share capital are held in dematerialised form viz., CDSL- 9,44,06,444 Equity Shares and NSDL – 1,93,55,027 Equity Shares.

Outstanding ADR's & GDR's, Warrants or any other convertible instruments, conversion date and likely impact on Equity Shares

During the year under review, the Company has not issued any ADR's & GDR's, Warrants or any other convertible instruments. The Company has at present no outstanding ADR's/GDR's/Warrants to be converted that has an impact on the Equity Shares of the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company being a sizable user of commodities, exposes it to the price on account of procurement of commodities. There are no other commodity price / foreign exchange risks or commodity hedging activities involved.

Plant Locations

Bishnupur	WBIIDC Road, P.O. Dwarika Bishnupur – 722 122, Dist: Bankura (West Bengal)
Jajpur	Kalinganagar Industrial Complex Duburi – 755 026, Dist: Jajpur (Odisha)
Haldia	Jaynagar, P.O.: Buniaraichak, PS: Durgachak Dist: Purba Medinipur (West Bengal)

Name, Designation & Address of Compliance & Nodal Officer for Complaints & Correspondence

Mr. Anil Prasad Shaw

Company Secretary, Compliance and Nodal Officer
Rohit Ferro-Tech Limited
SKP House,
132A, S.P. Mukherjee Road, Kolkata – 700 026
Ph: +91 33-4016 8000/8100
Fax: +91 33-4016 8107
Email Id: cs@rohitferrotech.com

Address for Correspondence

Registered Office:

Rohit Ferro-Tech Limited
35, C. R. Avenue,
Kolkata – 700 012
Phone: +91 33 2211 0225/26
Email Id: grievance@rohitferrotech.com/ cs@rohitferrotech.com
CIN: L27104WB2000PLC091629

Corporate Office:

Rohit Ferro-Tech Limited
SKP House,
132A, S. P. Mukherjee Road,
Kolkata – 700 026
Phone: +91 33 4016 8000/8100
Fax : +91 33 4016 8191/8107

Corporate Governance Report

Credit Rating

During the year under review Credit Rating has not been done. The Company's credit rating for last available year for Long-Term Loans & Fund Based Limits was [ICRA] D and for Short-Term Limits was [ICRA] D, as given by ICRA Limited.

Management Discussion & Analysis Report

A Management Discussion and Analysis Report is given separately, and forms part of Annual Report.

CEO/CFO Certification

The requisite certificate from the Managing Director and the Chief Financial Officer of the Company for the Financial Year ended 31st March, 2019 required to be given pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board meeting held on 28th May, 2019 and 14th August, 2019.

Reconciliation of Share Capital Audit :

As stipulated by Securities and Exchange Board of India (SEBI), a practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors.

Profile of Directors Seeking Appointment/Re-appointment

Resume and other information of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are given in the notice of ensuing Annual General Meeting as an Additional Information.

Other Information

The Company has its own website www.rohitferrotech.com wherein other related information is available. The Company has a dedicated help desk e-mail id: grievance@rohitferrotech.com in the secretarial department for providing necessary information to the investors as well as for registering any complaints/grievances. The Company posts on its website all its official news releases, important announcements and presentations made before the press meets, analysts and institutional investors, if any, from time to time for the benefit of its investors and public at large.

Other Disclosures

- There are no materially significant Related Party Transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee and Audit committee has approved the omnibus resolution for related party transactions during the year under review. The pricing of all the transactions with the related parties were on an arm's length basis. A disclosure of related party relationship and transactions as per AS-18 is given in the in the notes to the Financial Statement in the Annual Accounts of the Company.
- The Company has complied with all the requirements of the Uniform Listing Agreement/Listing Regulations with the Stock Exchanges as well as regulations and guidelines of SEBI. The Company had paid penalty of ₹ 30,000.00 to NSE in the year 2017-18 for the late submission of Financial Result for the quarter ended June 30,2016. Further, SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including our company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI. NSE vide its communication dated July 12 2019 informed us that **SEBI had revoked , all the actions/ directions/ order/ limitations issued by them in its letter dated August 7, 2017 against the Company.** No other strictures or penalty were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years.
- **Vigil Mechanism/Whistle Blower Policy:**
In order to strengthen the process of conducting the business in a fair, transparent and ethical manner, the Company has set up a Vigil Mechanism. The policy is intended to establish a mechanism for employees to report to the management genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics, for which a dedicated e-mail id vigil.mechanism@rohitferrotech.com has been established. Mr. Ankit Jain, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. The mechanism provides adequate safeguard against victimization of the persons using this mechanism. No employee was denied access to the Audit Committee. There has been no incidence reported to the Chairman of the Audit Committee

Corporate Governance Report

during the period under review.

- The Company does not have any material subsidiary.
The web link for policy on dealing with related party transactions is <https://www.rohitferrotech.com/Policy-on-Materiality-of-Related-party-Transactions-and-on-dealing-with-RPT.pdf>
- Disclosure of commodity price risks and commodity hedging activities-there are no commodity price risks or commodity hedging activities involved.
- The company did not raised any fund through preferential allotment during the year.
- Certificate from Mr. K.C. Dhanuka, a practicing Company Secretary, certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report.
- The board had accepted all recommendation of mandatory requirement of the committees during the financial year 2018-19.
- Total fees paid by the Company to the Statutory Auditors during year under review was Rs.10.00 lacs for Accounts and Tax Audit only.
- Disclosure under the sexual harassment of women -The Company has adopted a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- **Disclosure of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, 2015**
Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:
 - Board of Directors
 - Audit Committee
 - Nomination and Remuneration Committee
 - Stakeholder Relationship Committee
 - Risk Management Committee : Not Applicable
 - Vigil Mechanism
 - Related Party Transactions
 - Corporate Governance requirements with respect to Subsidiary of Company: The Company has no material Subsidiary, all other requirement is complied.
 - Obligations with respect to Independent Directors
 - Obligations with respect to Directors and Senior Management
 - Other Corporate Governance requirements as stipulated under the Regulations
 - Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).
- **Details of compliance with mandatory requirements and adoption of non-mandatory requirements**
The Company has complied with all mandatory requirements of the Listing Regulations. The Company has adopted the following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations:
 - (a) **The Board**
The Non-Executive Chairman has an office at the Company's premises.
 - (b) **Separate posts of Chairperson and Chief Executive Officer**
The Chairman is not the Chief Executive Officer of the Company.

Corporate Governance Report

(c) Shareholder's Rights

The Company publishes quarterly unaudited financial results in the newspapers and is also displayed it on the Company's website www.rohitferrotech.com and also on the website of BSE and NSE. Therefore , it does not envisage sending the same separately to the shareholders.

(d) Reporting to Internal Auditor

The internal auditors may report directly to the Audit Committee.

• Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company and hence, it is not required to have an Independent Director of the Company on the Board of such Subsidiary Company. Significant issues pertaining to Subsidiary Companies are discussed at Audit Committee meetings of the Company.

• Other

- i. The Company has complied with all the mandatory requirements as mandated under Listing Agreement / Listing Regulations with Stock Exchanges. A certificate from the practicing Company Secretary to this effect has been included in this report
- ii. The Management confirms that the Financial Statements of the Company for Financial Year ended 31st March, 2019 have been prepared in accordance with the applicable Accounting principles in India and Indian Accounting Standard (Ind AS), as prescribed under provisions of Companies Act, 2013 read with the rules made thereunder
- iii. A Risk Management Policy has been formed by the Company on 30th May, 2014. The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about the business risks, if any occurs, and the steps taken to mitigate the same.
- iv. In terms of Uniform Listing Agreement, all Board members and Senior Management Personnel have confirmed compliance with the code

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

CODE OF CONDUCT

The Code of Conduct for the Board of Directors and Senior Management Personnel as adopted is available on the Company's website www.rohitferrotech.com. All the Members of the Board and Senior Management Personnel have affirmed the compliances of the Code of Conduct.

DECLARATION ON CODE OF CONDUCT	
In accordance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the Board members and Senior Management Personnel of the Company have affirmed compliance with code of conduct of the Company for the Financial Year ended on 31.03.2019	
Place: Kolkata, Dated: 28.05.2019	For and On Behalf of the Board For Rohit Ferro-Tech Limited Ankit Patni (Managing Director)

For and on Behalf of the Board
For **Rohit Ferro-Tech Limited**

Suresh Kumar Patni
Chairman

Kolkata, 14th August, 2019

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Rohit Ferro-Tech Limited

We have examined the compliance of conditions of Corporate Governance by Rohit Ferro-Tech Limited ('the Company'), for the year ended on 31st March, 2019, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

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 Listing Regulations, as applicable.

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 **K. C. Dhanuka & Co**
Company Secretaries

CS K. C Dhanuka
Proprietor
FCS – 2204
C.P. No. – 1247

Place : Kolkata
Date : 14.08.2019

Independent Auditors' Report

To

The Members of
M/s. Rohit Ferro-Tech Limited

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of **ROHIT FERRO-TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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, **except for the possible effect of the matter described in the basis for qualified opinion section of our report**, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw your attention to **Note No. 45** of the accompanying standalone Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to ₹ 25,357 Lacs for the year ended 31st March, 2019 (cumulative non provision of ₹ 86,546 till 31.03.2019) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expense been recognized, the finance cost for the year ended 31st March, 2019 would have been ₹ 30,367 Lacs instead of reported amount of ₹ 5,010 Lacs. The total expenses for the year ended 31st March, 2019 would have been ₹ 1,33,519 Lacs instead of ₹ 1,08,162 Lacs. The Net Loss after tax for the year ended 31st March, 2019 would have been ₹ 53,200 Lacs instead of reported amount of ₹ 27,843 Lacs. Total comprehensive Loss for the year ended 31st March, 2019 would have been ₹ 53,215 Lacs instead of reported amount of ₹ 27,858 Lacs. Other equity as on 31st March, 2019 would have been ₹ 2,19,250 Lacs instead of reported amount of ₹ 1,32,704 Lacs and Other Current Financial Liability as on 31st March, 2019 would have been ₹ 1,61,495 Lacs instead of reported amount of ₹ 74,949 Lacs.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Relating to Going Concern

We draw your attention to **Note No. 44** of the financial statements regarding preparation of the financial statements on going concern basis, for the reason mentioned therein. The Company has incurred losses during the year ended 31.03.2019 and has accumulated losses as on 31st March, 2019. As on date the Company's current liabilities are substantially higher than its current assets and net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future.

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.

Independent Auditors' Report

Sl.	Key Audit Matter	How our audit addressed the key Audit Matter
1	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers” (new revenue accounting (standard) w.e.f 01.04..2018</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>Our audit procedures included the following:</p> <p>We have assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.
2	<p>Claim and exposure relating to taxation and litigation</p> <p>The Company has material uncertain tax positions including matters in respect of disputed claims/levies under various taxes and legal matters.</p> <p>The taxes and litigation exposures have been identified as key audit matter due to:</p> <ol style="list-style-type: none"> i. Litigation cases require significant judgement due to complexity of the case and involvement of various authorities. ii. These involve significant management judgment to determine the possible outcome of the uncertain tax positions. 	<p>Our audit procedures included the following:</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained understanding of key uncertain tax positions; • We have reviewed and analysed key correspondences relating to dispute; • We have discussed the matter for key uncertain tax positions with appropriate senior management; • We have evaluated management's underlying key assumptions in estimating the tax provisions; and Assessed management's estimate of the possible outcome of the disputed cases;

Independent Auditors' Report

Emphasis of Matter

As referred in Note No. 34 of the Standalone Financial Statements, the balance of sundry debtors, advances, creditors etc. includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliation. The reported financials might have consequential impact which remains unascertained.

Our report is not modified in these matters.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Company's Annual Return 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.

Responsibility of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 the material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related

disclosures made by 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government Of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a Statement on the matters specified in paragraphs 3 and 4 of the Order , to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that:
 - a) ***Except for the possible effect of the matter described in the basis for qualified opinion section of our report, 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) ***Except for the possible effect of the matter described in the basis for qualified opinion section of our report, 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, the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
 - d) ***Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.***
 - e) ***The matter described in the basis for qualified opinion section of our report, may have adverse effect on the functioning of the Company.***
 - f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) 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**".

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

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

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

a) The Company has disclosed the impact of pending litigations on the financial position in the Standalone Financial Statements. **Refer Note 32** to 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;

During the year, the Company has transferred an amount of ₹ **1.46 Lacs** to Investor Education and Protection Fund pertaining to unpaid dividend for the year 2010-11.

For **R. Kothari & Company**
Chartered Accountants
FRN: 307069E

CA Manoj Kumar Sethia
Partner
Membership No.: 064308

Place: Kolkata
Date: 28th May, 2019

"Annexure A" to the Independent Auditors' Report

The Annexure A referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2019, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The Property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore the reporting under Paragraph 3(iii) is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Ferro alloys & Minerals and Iron & steel 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 we are of the opinion that prima facie, the records have been maintained. We have however not made a detailed examination of the records with a view to determining whether they are accurate and complete.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has generally delayed in depositing undisputed statutory dues including Provident Fund, Income tax, sales tax, Service Tax, Duty of customs, value added tax, GST, cess and other statutory dues during the year with appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable except the following :

Statutory Liabilities unpaid for a period exceeding six months as on 31.03.2019

SL. No.	Nature of Dues	Amount Involved (₹ in Lacs)
1	Excise Duty	724.41
2	Service Tax	552.97
3	Entry Tax	92.22
4	VAT	31.95
5	STDS	41.63
6	Welfare Cess	5.57
Total		1,448.75

"Annexure A" to the Independent Auditors' Report

- (b) According to the information and explanations given to us and records of the Company examined, there were no dues in respect of provident fund, employees state insurance, income taxes, sales taxes/ value added taxes, service taxes, duty of customs, excise duties, GST, cess etc. which have not been deposited with the appropriate authorities on account of any dispute except the followings:

Disputed Liabilities remain unpaid as on 31.03.2019

Name of the Statute	Nature of Dues	Amount in lacs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act,1994	Cenvat credit	409.59	Feb 05-Jun 09	CESTAT
	Cenvat credit	51.81	2007-08	Commissioner Appeal
	Cenvat credit	108.80	Sep 2012-Aug 2014	CESTAT
	Cenvat credit	6.85	2012-13	Commissioner (Appeal)
Sub Total		577.04		
Central Excise Act,1994	Excise Duty	26.24	2009-10 to 2012-13	CESTAT
	Excise Duty	26.81	2011-12	CESTAT
	Excise Duty	1,259.04	2014-15	CESTAT
	Excise Duty	48.95	2008-2013	CESTAT
	Excise Duty	2.71	April, 2013 - December, 2013	CESTAT
	Excise Duty	75.08	January, 2014- September, 2014	CESTAT
	Excise Duty	7.47	October, 2014 to November, 2014	CESTAT
	Excise Duty	31.86	December, 2014 to May 2015	CESTAT
	Excise Duty	1.29	2015-16	CESTAT
	Excise Duty	3.65	2004-05	CESTAT
	Excise Duty	0.10	2005-07	CESTAT
	Excise Duty	84.86	January, 2008 to March 2008	CESTAT
	Excise Duty	4.22	October, 2009 to July, 2010	CESTAT
	Excise Duty	4.31	2006-2009	CESTAT
	Excise Duty	14.56	2006-07	Commissioner of Central Excise
	Excise Duty	1,068.43	December, 2013 to June, 2017	Commissioner of CGST & Central Excise, Bhubaneswar Commissionerate, Bhubaneswar-751007 Mr. Deep Shekhar
Sub Total		2,659.56		
Central Sales Tax Act, 1956	Sales Tax	11.90	01.04.2013 - 30.09.2015	JCCT
	Sales Tax	12.11	01.04.2016 - 30.06.2017	JCCT
Sub Total		24.01		
Finance act, 1994	Service Tax	2.59	2012-13 to 2015-16	Commissioner (Appeal), siliguri Appeal GST Taxpayer services Commissionerate
	Service Tax	452.80	2012-13 to 2016-17	Commissioner Appeal
	Service Tax	56.82	2007-08 to 2011-12	CESTAT
	Service Tax	5.09	29.03.2014 to 12.06.2014	Assistant Commissioner of Service Tax Division, Haldia Commissionerate
	Service Tax	128.50	2012-13 to 2015-16	BOLPUR COMMISSIONERATE
	Service Tax	186.45	2012-13 to 2016-17	BOLPUR COMMISSIONERATE
	Service Tax	18.79	2012-13	Durgapur Audit Commissionerate
	Service Tax	27.17	April 2006 to Dec 2008	Commissioner of Central Excise
	Service Tax	1.20	2012-13 To 2015-16	Durgapur Commissionerate
Sub Total		879.40		

"Annexure A" to the Independent Auditors' Report

Name of the Statute	Nature of Dues	Amount in lacs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	929.96	A.Y. 2014-15	CIT(A)
	Income Tax	3,099.23	A.Y. 2013-14	CIT(A)
	Income Tax	17.19	A.Y. 2012-13	CIT(A)
	Income Tax	2,098.98	A.Y. 2011-12	CIT(A)
	Income Tax	72.06	A.Y. 2010-11	
Sub Total		6,217.42		
Odisha Vat Act, 2004	Odisha VAT	49.35	2008-09	Commissioner of Commercial Tax
	Odisha VAT	23.58	01.04.2013 - 30.09.2015	JCCT
Sub Total		72.94		
The Central Sales Tax Act, 1956 & West Bengal Vat Act, 2005	Entry Tax	823.88	2012-13	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
	Entry Tax	1,201.37	2013-14	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
	Entry Tax	1,201.37	2014-15	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
	Entry Tax	402.41	2015-16	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
	Sub Total		3,629.03	
The Central Sales Tax Act, 1956 & West Bengal Vat Act, 2005	WB VAT & CST	89.19	2006-07	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
	WB VAT & CST	219.45	2007-08	Hon'ble Members of the West Bengal Taxes Appellate Board, Kolkata
West Bengal Vat Act, 2005	WB VAT	59.34	2014-15	Additional Commissioner of Commercial Tax, West Bengal
	WB VAT	210.61	2015-16	Additional Commissioner of Commercial Tax, West Bengal
Sub Total		578.59		
Employees Provident Fund Act 1952	Employees Provident Fund	1.80	1996- 2014	Provident Fund Commissioner
Sub Total		1.80		
DRI, Kolkata	Customs duty	40.35	2015-16	DRI, Kolkata
	Customs duty on ship demurrage charges	500.00	2007- 2017	
Sub Total		540.35		
Total		15,180.14		

"Annexure A" to the Independent Auditors' Report

- (viii) Based upon the audit procedures performed and according to the records of the Company examined by us and the information and explanation given to us, the Company has defaulted in payment of interest and repayment of principal on borrowings to banks as follows:

[₹ in Lacs)

Particulars	Amount of default as on 31.03.2019		Period of default
	Principal Repayment	Interest (Net of Reversals)	
RUPEE TERM LOAN			
Allahabad Bank	2,246.00	486.88	Quarter ending 31st Dec, 2015 to 31st March 2019
Canara Bank	412.74	1,134.69	
Exim Bank	1,602.00	3,806.66	
State Bank of India	9,827.84	228.91	
United Bank of India	1,992.72	-719.80	
Total	16,081.30	4,937.34	

Particulars	Amount of default as on 31.03.2019		Period of default
	Principal Repayment	Interest (Net of Reversals)	
WORKING CAPITAL TERM LOAN			
Allahabad Bank	264.24	106.00	Quarter ending 31st Dec, 2015 to 31st March 2019
Andhra Bank	214.38	546.57	
Bank of Baroda	801.00	-	
Cental Bank Of India	41.58	-0.00	
Punjab National Bank	772.56	-	
State Bank of India	4,350.78	(48.82)	
United Bank of India	2,141.64	-	
Uco Bank	524.70	305.79	
Total	9,110.88	909.54	

"Annexure A" to the Independent Auditors' Report

Particulars	Amount of default as on 31.03.2019		Period of default
	Principal Repayment	Interest (Net of Reversals)	
FUNDED INTEREST TERM LOAN			
Allahabad Bank	1,695.39	-47.29	Quarter ending 31st Dec, 2015 to 31st March 2019
Andhra Bank	314.86	215.43	
Bank of Baroda	979.90	-	
Canara Bank	391.96	251.98	
Central Bank of India	220.09	-53.39	
Exim Bank	1,511.07	694.53	
Punjab National Bank	1,103.28	1.00	
State Bank of India	11578.40	148.96	
United Bank of India	4,118.70	-	
Uco Bank	577.05	105.16	
Total	22,490.70	1,316.38	

Particulars	Amount of default as on 31.03.2019		Period of default
	Principal Repayment	Interest (Net of Reversals)	
WORKING CAPITAL LOAN			
Allahabad Bank (CC)	-	771.31	Quarter ending 31st Dec, 2015 to 31st March 2019
Andhra Bank (CC)	-	1,172.70	
Bank of Baroda (CC)	-	364.88	
Central Bank of India (CC)	-	-0.55	
Punjab National Bank (CC)	-	171.44	
State Bank of India (CC)	-	1395.77	
United Bank of India (CC)	-	-6.25	
Uco Bank (CC)	-	345.51	
Total	-	4,214.80	
Grand Total	47,682.88	11,378.07	

The unprovided liability amounting to ₹ 86,546 lacs as referred in Note No. 45 of the Standalone Financial Statements continued to be a default. The Company does not have any loans or borrowings from the government and has not issued any Debentures.

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public issue/ follow-on offer (including debt instruments) and term loans.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

"Annexure A" to the Independent Auditors' Report

- (xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **R. Kothari & Company**
Chartered Accountants
FRN: 307069E

CA Manoj Kumar Sethia
Partner
Membership No.: 064308

Place: Kolkata
Date: 28th May, 2019

"Annexure B" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s. ROHIT FERRO-TECH LIMITED ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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

"Annexure B" to the Independent Auditors' Report

that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

Place: Kolkata
Date: 28th May, 2019

For **R. Kothari & Company**
Chartered Accountants
FRN: 307069E

CA Manoj Kumar Sethia
Partner
Membership No.: 064308

Balance Sheet as at 31st March, 2019

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2019	31-03-2018
I	ASSETS			
	(1) Non-Current Assets			
	(a) Property, Plant and Equipment	4	62,400.05	65,764.06
	(b) Capital work-in-progress	5	44,809.82	44,795.79
	(c) Financial Assets			
	(i) Investments	6	-	7,724.41
	(ii) Loans	7	3,148.57	3,084.53
	(d) Other Non-Current Assets	8	415.37	765.01
			1,10,773.81	1,22,133.80
	(2) Current Assets			
	(a) Inventories	9	9,130.38	12,092.70
	(b) Financial Assets			
	(i) Trade Receivables	10	41,904.83	51,460.71
	(ii) Cash and Cash equivalents	11	120.06	1,027.07
	(iii) Bank Balance Other than Cash and Cash equivalents	12	44.85	17.18
	(iv) Loans	7	-	1,572.14
	(v) Other Financial Assets	13	6,037.01	6,379.36
	(c) Other Current Assets	14	8,879.21	10,726.75
			66,116.34	83,275.91
	TOTAL ASSETS		1,76,890.15	2,05,409.71
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	15	11,377.61	11,377.61
	(b) Other Equity	16	(1,32,704.10)	(1,04,844.74)
			(1,21,326.49)	(93,467.13)
	Liabilities			
	(1) Non-Current Liabilities			
	(a) Financial Liabilities			
	- Borrowings	17.1	83,577.44	97,116.75
	(b) Deferred Tax Liabilities (Net)	18	-	-
	(c) Other Non-Current Liabilities	22	89.70	97.86
			83,667.14	97,214.61
	(2) Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17.2	1,12,730.42	1,14,072.05
	(ii) Trade Payables	19	21,499.08	21,773.95
	(iii) Other Financial Liabilities	20	74,949.01	59,432.71
	(b) Current Tax Liabilities (Net)	21	373.62	389.49
	(c) Other Current Liabilities	22	4,997.37	5,994.03
			2,14,549.50	2,01,662.23
	TOTAL EQUITY AND LIABILITIES		1,76,890.15	2,05,409.71

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 28th day of May, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

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

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2019	31-03-2018
I	INCOME:			
	Revenue From Operations	23	89,282.99	73,138.75
II	Other Income	24	345.37	442.09
III	Total Revenue (I + II)		89,628.36	73,580.84
IV	EXPENSES:			
	Cost of Materials Consumed	25	66,238.10	66,883.92
	Changes in Inventories of Finished Goods & Work-in-Progress	26	(1,282.69)	1,431.70
	Excise Duty		-	1,790.03
	Employee Benefits Expense	27	1,702.42	1,506.77
	Finance Costs	28	5,010.46	5,323.20
	Depreciation and Amortization Expense	4	3,343.39	3,374.07
	Other Expenses	29	33,152.16	27,158.28
	Total Expenses (IV)		108,163.84	107,467.97
V	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)		(18,535.48)	(33,887.13)
VI	EXCEPTIONAL ITEMS	48	(9,309.00)	-
VII	PROFIT/(LOSS) BEFORE TAX (V-VI)		(27,844.48)	(33,887.13)
VIII	TAX EXPENSES			
	Current Tax		-	-
	Deferred Tax		-	-
IX	PROFIT/ (LOSS) FOR THE YEAR (VII - VIII)		(27,844.48)	(33,887.13)
X	OTHER COMPREHENSIVE INCOME			
	A. (i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(14.88)	(7.33)
	(ii) Income taxes on items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAXES)		(14.88)	(7.33)
XI	Total Comprehensive Income/ (Loss) for the year (IX + X)		(27,859.36)	(33,894.46)
XII	Earnings per Equity Share [Nominal Value of Share - ₹ 10]			
	Basic & Diluted	31	(24.47)	(29.78)

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 28th day of May, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

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

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	(27,844.48)	(33,887.13)
	Adjustments for :		
	Depreciation	3,343.39	3,388.20
	Interest Income	(158.37)	(235.49)
	Finance Costs	5,010.46	5,323.20
	Net (gain)/Loss on sale of investments	-	(20.42)
	Remeasurements of the defined benefit plans	(14.88)	(7.33)
	Exchange Fluctuation Loss/(Gain)	381.60	144.57
	(Profit)/Loss on sale of Fixed Assets	(26.64)	-
	Sundry Balances written off / (back)	115.31	(115.84)
		8,650.87	8,476.89
	Operating Profit before Working Capital Changes	(19,193.61)	(25,410.24)
	Adjustments for :		
	(Increase)/Decrease in Inventories	2,962.31	24,517.71
	(Increase)/Decrease in Trade Receivables	9,440.57	10,823.88
	(Increase)/Decrease in Non Current Financial Assets	(64.03)	129.47
	(Increase)/Decrease in Current Financial Assets	344.14	(212.41)
	(Increase)/Decrease in Other Non-Current Assets	349.63	(42.39)
	(Increase)/Decrease in Other Current Assets	1,847.54	8,961.51
	Increase/(Decrease) in Trade Payables	(274.87)	(15,909.90)
	Increase/(Decrease) in Non Current Financial Liabilities	-	(99.96)
	Increase/(Decrease) in Current Financial Liabilities	(328.52)	25,836.29
	Increase/(Decrease) in Other Non-Current Liabilities	(8.15)	(8.17)
	Increase/(Decrease) in Other Current Liabilities and Provisions	(996.66)	(3,563.35)
		13,271.96	50,432.68
	Cash generated from operations	(5,921.65)	25,022.44
	Direct Tax Paid	(15.87)	(0.41)
	Exchange Fluctuation Loss/(Gain)	(381.60)	(144.57)
	Net Cash from Operating Activities	(6,319.12)	24,877.46
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment (including Capital Work-in-Progress and Capital Advances)	(7.17)	(83.47)
	Sale of property, plant and equipment	40.41	-
	Interest Received	156.57	7.36
	Sale of Investment	-	305.17
	(Increase)/Decrease in Non Current Financial Assets	7,724.41	
	(Increase) / Decrease in Fixed Deposits with Banks	(27.67)	831.12
	Net Cash from Investing Activities	7,886.55	1,060.18

Cash Flow Statement for the year ended 31st March, 2019 (Contd.)

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/ (Decrease) in Long Term Borrowings-Non Current	(13,539.30)	(14,739.36)
	Increase/ (Decrease) in Long Term Borrowings-Current	13,539.30	(14,400.93)
	Increase/ (Decrease) in Short Term Borrowings	(1,341.63)	4,427.14
	(Increase)/Decrease in Current Financial Assets	1,572.14	
	Interest Paid	(2,704.95)	(1,061.93)
	Net Cash from Financing Activities		
		2,474.44	(25,775.08)
	Net Increase/(Decrease) in Cash & Cash Equivalents	(907.01)	162.56
	Cash & Cash Equivalents at the beginning of the year (Refer Note No.11 to the Accounts)	1,027.07	864.51
	Cash & Cash Equivalents at the end of the year (Refer Note No.11 to the Accounts)	120.06	1,027.07

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**
Chartered Accountants
FRN: 307069E

CA Manoj Kumar Sethia
Partner
Membership No: 064308
Place: Kolkata
Date: 28th day of May, 2019

For and on behalf of the Board

Suresh Kumar Patni
Chairman

Anil Prasad Shaw
Company Secretary

Vipul Jain
Chief Financial Officer

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

A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Numbers	Amount
Balance as at 1st April, 2017	1,137.76	11,377.61
Changes in equity share capital during 2017-18	-	-
Balance as at 31st March, 2018	1,137.76	11,377.61
Changes in equity share capital during 2018-19	-	-
Balance as at 31st March, 2019	1,137.76	11,377.61

B. OTHER EQUITY

For the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Reserve and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1st April, 2018	128.14	42,403.10	450.00	(1,47,825.98)	(1,04,844.74)
Profit /(Loss) for the year				(27,844.48)	(27,844.48)
Other Comprehensive Income (Loss) for the year				(14.88)	(14.88)
Balance as at 31st March, 2019	128.14	42,403.10	450.00	(1,75,685.34)	(1,32,704.10)

For the year ended 31st March, 2018

Particulars	Reserve and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1st April, 2017	128.14	42,403.10	450.00	(1,13,931.52)	(70,950.28)
Profit /(Loss) for the year				(33,887.13)	(33,887.13)
Other Comprehensive Income (Loss) for the year				(7.33)	(7.33)
Balance as at 31st March, 2018	128.14	42,403.10	450.00	(1,47,825.98)	(104,844.74)

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 28th day of May, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

Notes on Financial Statements for the year ended 31st March, 2019

1. Company Overview

Rohit Ferro-Tech Limited (“the Company”) is a well-differentiated player in the Ferro Alloy manufacturing sector. Since its inception, the Company has come a long way to position itself as one of the leading producer of High Carbon Ferro Chrome. The company has accreditation like ISO 9001:2000, a Two Star Export House Status, award for Export Excellence by EEPC, Membership of ICDA (International Chrome Development Association), IMNI (International Manganese Institute) etc. The company is listed with the two major stock exchanges of India – National Stock Exchange of India and Bombay Stock Exchange Limited.

The Company is a public company incorporated in India on 7th April, 2000. The address of its registered office is 35, Chittaranjan Avenue, Kolkata - 700012.

2. Basis of preparation of Financial Statements

a) Statement of Compliance

These Financial Statements are prepared in accordance with the provisions of the Companies Act, 2013 (‘Act’) (to the extent notified) and Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) rules, 2015 (as amended).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

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

c) Basis of measurement

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

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Employee’s defined benefit plan as per actuarial valuation.

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

d) Use of judgments and estimates

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

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

Critical accounting judgements and key sources of estimation uncertainty: Key assumptions-

(i) Useful lives of Property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current Financial Year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

(ii) Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

(iii) Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the Financial Statements for any obsolete and slow-moving

Notes on Financial Statements for the year ended 31st March, 2019

items.

(iv) Fair value measurement of financial instruments

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

(v) Defined benefit plans

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

(vi) Recognition and measurement of provisions and contingencies

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

e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

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

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

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

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

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

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

f) Recent Accounting Development: Standard issued but not yet effective Standard issued but not yet effective Ind AS 116 – “Leases”

Ind AS 116 Leases: On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss.

The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after 1st April, 2019. The Company is evaluating the impact of Ind AS 116 on the financial statements.

Amendment to Ind AS 12 – Income taxes

Amendment to Ind AS 12 – Income taxes : On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other

Notes on Financial Statements for the year ended 31st March, 2019

comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The amendment is not likely to have any impact on the financial statements of the Company. There are no other amendments which have been notified, that are likely to have any material impact on the financial statements of the Company.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', on 30th March 2019, in connection with accounting for plan amendments, curtailments and settlements. The Company does not have any impact on account of this amendment.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any significant impact from this amendment

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. This amendment is currently not applicable to the Company.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its standalone financial statements.

3. Significant accounting policies

a) Operating Cycle

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

b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes on Financial Statements for the year ended 31st March, 2019

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

Financial assets at FVTOCI

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

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

Financial assets at FVTPL

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

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

Investment in Subsidiary

The Company has accounted for its investments in its subsidiary at cost/deemed cost.

Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Derecognition

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

ii. **Financial liability**

Initial recognition and measurement

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

Subsequent measurement

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

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

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

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

Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive

Notes on Financial Statements for the year ended 31st March, 2019

Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Derecognition

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

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Property, plant and equipment

i. Recognition and measurement

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

Property, plant & equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Cost of the tangible assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.

ii. Subsequent expenditure

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

iii. Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation on Property, Plant & Equipment are provided on straight line method over the useful lives of assets, at the rates

Notes on Financial Statements for the year ended 31st March, 2019

and in the manner specified in Part C of Schedule II of the Act. The rates of depreciation as prescribed in Part C of Schedule II of the Act are considered as the minimum rates. Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except land acquired on perpetual lease. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

iv. Leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss. Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation.

d) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of finished goods includes excise duty. The cost of Work-In-Progress and finished goods includes the cost of labour, material and a proportion of manufacturing overheads.

e) Impairment

i. Impairment of financial instruments: financial assets

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

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

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

ii. Impairment of non-financial assets

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

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

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

f) Foreign Currency Transactions

(a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Notes on Financial Statements for the year ended 31st March, 2019

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

(c) Exchange Differences

Exchange differences arising on the settlement of monetary items are recognised as income or as expense in the year in which they arise.

(d) Forward Exchange Contracts

Forward Exchange Contracts outstanding as at the year end on account of firm commitment transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss.

g) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

h) Employee Benefits

i. Short-term employee benefits

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

ii. Defined contribution plans

Contributions as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards provident fund and family pension fund are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

iii. Defined benefit plans

The Company has an Employees Gratuity Fund managed by the Life Insurance Corporation of India.

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

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

Short-Term Compensated Absences are provided for based on estimates.

i) Provisions (other than for employee benefits)

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

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

j) Revenue Recognition

i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue from sales of goods is recognised when all significant risks and rewards of ownership of goods are transferred to the customer, which generally coincides with delivery.

ii) Revenue from rendering of services is recognised in the periods in which the services are rendered.

Notes on Financial Statements for the year ended 31st March, 2019

- iii) Export entitlements in the form of Duty Drawback and MEIS scheme are recognised in the Statement of Profit and Loss Account when right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant exports proceeds.
 - iv) Interest Income is recognised using the effective interest rate method. Dividend Income is recognised only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.
- k) Recognition of interest income or expense**
Interest income or expense is recognised using the effective interest method.
- l) Income tax**
Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.
- i. Current tax**
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
 - ii. Deferred tax**
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.
- m) Research and Development Expenses**
Revenue expenditure on Research and Development is charged as an expense through the normal heads of account in the year in which the same is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and is depreciated according to the policies followed by the Company.
- n) Borrowing costs**
Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.
Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.
- o) Earnings per Share**
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- p) Expenditure on new projects & substantial expansion**
Preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction/ implementation, interest on term loans to finance fixed assets and expenditure on start-up of the project are capitalised upto the date of commissioning of project to the cost of the respective assets.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE 4 - Property, Plant and Equipment

Particulars	Land		Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
	Freehold	Leasehold						
	(₹ in Lacs)							
Cost or deemed cost (Gross carrying amount)								
As at 1st April, 2017	1,081.50	4,104.42	15,992.87	67,914.68	442.30	250.44	420.32	90,206.53
Additions	-	-	-	0.21	3.89	9.29	2.42	15.80
Disposals	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-
- Borrowing Costs	-	-	-	-	-	-	-	-
As at 31st March, 2018	1,081.50	4,104.42	15,992.87	67,914.89	446.18	259.73	422.74	90,222.33
Additions	-	-	-	-	-	-	7.17	7.17
Disposals	-	-	17.26	-	-	4.75	-	22.01
Other Adjustments	-	-	-	-	-	-	-	-
- Borrowing Costs	-	-	-	-	-	-	-	-
As at 31st March, 2019	1,081.50	4,104.42	15,975.61	67,914.89	446.18	254.98	429.91	90,207.49
Depreciation & Amortisation								
As at 1st April, 2017	-	45.76	3,430.83	16,758.85	280.39	169.30	384.86	21,070.07
For the year (Note-a)	-	57.46	495.62	2,757.10	42.52	27.62	7.96	3,388.28
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-
As at 31st March, 2018	-	103.22	3,926.45	19,515.95	322.91	196.92	392.82	24,458.27
For the year (Note-a)	-	51.61	495.69	2,746.08	36.70	22.29	5.04	3,357.42
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	3.87	-	-	4.37	-	8.24
As at 31st March, 2019	-	154.82	4,418.27	22,262.03	359.61	214.84	397.86	27,807.44
Carrying amounts (net)								
As at 31st March, 2018	1,081.50	4,001.20	12,066.42	48,398.94	123.27	62.81	29.91	65,764.06
As at 31st March, 2019	1,081.50	3,949.59	11,557.34	45,652.86	86.57	40.14	32.05	62,400.05

NOTE :

- Includes ₹ 14.03 lacs (P.Y.: ₹ 14.13 lacs) debited to Capital Work-in-Progress.]
- For details of Property, Plant & Equipment pledged as security against the secured borrowings refer note 17 (c).
- The management has evaluated and is of opinion that there are no major components of the fixed assets for adopting components based accounting as per IND AS-16.

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
5	CAPITAL WORK-IN-PROGRESS		
	At the beginning of the year	44,795.79	44,728.15
	Add: Incurred during the year	14.03	67.64
	Less: Capitalised during the year	-	-
	At the end of the year	44,809.82	44,795.79

Capital work-in-progress includes Pre Operative Expenses as below relating to project under implementation, pending allocation to Fixed Assets:

	Opening Balance	15,473.35	15,435.35
	Add: Expenditure incurred during the period		
	Salaries	-	0.12
	Telephone Expenses	-	0.01
	Travelling & Conveyance	-	0.01
	Repairs & Maintenance	-	1.88
	Labour charges	-	(0.15)
	Security Service Charges	-	21.53
	General Expenses	-	0.47
	Depreciation	14.03	14.13
	Total	15,487.38	15,473.35
	Amount allocated to Fixed Assets	-	-
	Closing Balance	15,487.38	15,473.35

NOTES	PARTICULARS	31-03-2019	31-03-2018
6	NON - CURRENT FINANCIAL INVESTMENTS		
	Investments in Equity Instruments– unquoted		
	Investments in subsidiaries - At cost	7,724.41	7,724.41
	210.75 lacs (31st March, 2018: 210.75 lacs) shares of SKP Overseas Pte. Ltd. (Face value of US\$ 1 each fully paid up)		
	Less: Impairment of Investment (Refer Note 46)	(7,724.41)	
	Total of Non Current Investments	-	7,724.41
	Aggregate value of unquoted equity Investments	7,724.41	7,724.41
	Aggregate value of diminution other than temporary in value of Investments	7,724.41	-

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
7	LOANS		
	(Unsecured, Considered good)		
	Non-Current		
	- Parties other than Related Parties	3,148.57	3,084.53
		3,148.57	3,084.53
	Current		
	Loans to Related Parties - Subsidiary	-	1,572.14
		-	1,572.14
	Total Loans	3,148.57	4,656.67

NOTES	PARTICULARS	31-03-2019	31-03-2018
8	OTHER NON-CURRENT ASSETS		
	(Unsecured, Considered good)		
	Capital Advances (Refer Note No. 32 (ii))		
	- Parties other than Related Parties	415.37	765.01
	Total	415.37	765.01

NOTES	PARTICULARS	31-03-2019	31-03-2018
9	INVENTORIES		
	(As taken, valued and certified by the management)		
	Raw Materials	3,521.33	8,389.30
	Work In Process	2,225.13	2,182.51
	Finished Goods (Including In-Transit)	2,233.28	993.20
	Stores & Spares	958.39	432.66
	Packing Materials	15.88	16.78
	Intermediates	176.37	78.25
	Total	9,130.38	12,092.70

Notes:

- The amount written down for raw materials in Haldia as an expense (included in cost of raw materials consumed) during the year is ₹ NIL (P.Y. ₹ 6,323.03 lacs) on prudent basis as the plant was shut down since July'15.
- Finished goods includes in transit ₹ 785.60 (P.Y.: ₹ Nil)
- For details of inventory hypothecated as security against secured borrowings refer note 17 (c) & 19 (b)

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
10	TRADE RECEIVABLES		
	Unsecured		
	- Considered good	41,904.83	51,460.71
	- Considered doubtful	6,874.65	4,104.28
		48,779.48	55,564.99
	Less: Allowances for expected credit losses	(6,874.65)	(4,104.28)
		41,904.83	51,460.71
	Age analysis of trade receivables		
	Debtors outstanding for a period exceeding Six months from the date they were due for payment.	40,983.74	45,963.69
	Other receivables	921.09	5,497.03
	Total	41,904.83	51,460.71

Notes:

- Trade Receivables include ₹ 873.40 lacs (P.Y.: ₹ 853.51 lacs) due from Related Party and ₹ NIL (P.Y.: ₹ 130.09 lacs) due from the Subsidiary.
- For details of book debts hypothecated as security against secured borrowings refer note 17 (c)
- The Company's exposure to credit risk and loss allowance to trade receivable is disclosed in note no. 48.3

NOTES	PARTICULARS	31-03-2019	31-03-2018
11	CASH AND CASH EQUIVALENTS		
	Cash In Hand (as certified by the management)	4.66	5.56
	Balances With Banks		
	- In Current Accounts	115.40	1,021.51
	Total	120.06	1,027.07

NOTES	PARTICULARS	31-03-2019	31-03-2018
12	OTHER BANK BALANCES		
	(A) Term Deposits with Banks *		
	with maturity more than 3 months but less than 12 months	14.53	10.63
	with maturity more than 12 months	28.61	3.90
	(B) Earmarked Balances with Banks	1.71	2.65
	Total	44.85	17.18

* Held as Margin against Bank guarantee and letter of credit.

NOTES	PARTICULARS	31-03-2019	31-03-2018
13	OTHER CURRENT FINANCIAL ASSETS		
	(Unsecured, Considered Good, unless otherwise stated)		
	Accrued Interest on Deposits	4.08	2.28
	Insurance Claim Receivable	1,902.12	1,902.12
	Export Incentive Receivable:		
	Considered Good	4.80	43.78
	Considered doubtful	171.29	188.99
	Less: Allowance for doubtful receivables	(171.29)	(188.99)
	Subsidy/Power Incentive Receivable	4,126.01	4,126.01
	SBI Mutual Fund Receivable	-	305.17
	Total	6,037.01	6,379.36

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
14	OTHER CURRENT ASSETS		
	(Unsecured, Considered Good)		
	Advances recoverable in kind or for value to be received		
	To Related Parties	70.00	70.00
	To Subsidiary	-	97.57
	To Others	6,938.75	8,296.04
	Balance with Statutory/Government Authority	1868.58	2252.56
	Prepaid Expenses	1.88	10.58
	Total	8,879.21	10,726.75

NOTES	PARTICULARS	31-03-2019	31-03-2018
15	EQUITY SHARE CAPITAL		
	Authorised		
	1,850.00 lacs (P.Y.: 1,850.00 lacs) Equity Shares of ₹ 10/- each	18,500.00	18,500.00
	Issued, Subscribed and Paid-up		
	1,137.76 lacs (P.Y.: 1,137.76 lacs) Equity Shares of ₹ 10/- each fully paid up	11,377.61	11,377.61

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	31-03-2019		31-03-2018	
	Nos. (in Lacs)	(₹ in Lacs)	Nos. (in Lacs)	(₹ in Lacs)
Equity Shares				
At the beginning of the Period	1,137.76	11,377.61	1,137.76	11,377.61
Issued during the Period	-	-	-	-
At the end of the Period	1,137.76	11,377.61	1,137.76	11,377.61

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of Equity Shares held by the share holders.

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

PARTICULARS	31-03-2019		31-03-2018	
	No. of Shares (in lacs)	% holding	No. of Shares (in lacs)	% holding
Equity shares of ₹ 10 each fully paid				
Suanvi Trading and Investment Co. Pvt. Ltd.	112.38	9.88	112.38	9.88
Vasupujya Enterprises Pvt. Ltd	113.60	9.98	113.60	9.98
Invesco Finance Pvt Ltd	110.39	9.70	110.39	9.70
Poddar Mech Tech Services (P) Ltd.	129.80	11.41	129.80	11.41
Shreyansh Leafin Pvt. Ltd.	109.93	9.66	109.93	9.66
Whitestone Suppliers Pvt. Ltd	109.08	9.59	109.08	9.59

Notes on Financial Statements for the year ended 31st March, 2019

₹ in Lacs)

NOTES	COMPONENTS	Note No.	1st April 2018	Movement during the year	31st March 2019	1st April 2017	Movement during the year	31st March 2018
16	OTHER EQUITY							
	Capital Reserve	a	128.14	-	128.14	128.14	-	128.14
	Securities Premium	b	42,403.10	-	42,403.10	42,403.10	-	42,403.10
	General Reserve	c	450.00	-	450.00	450.00	-	450.00
	Retained Earnings	d	(1,47,715.56)	(27,844.48)	(1,75,560.04)	(1,13,828.43)	(33,887.13)	(1,47,715.56)
	Other Comprehensive Income		(110.42)	(14.88)	(125.30)	(103.09)	(7.33)	(110.42)
			(1,04,844.74)	(27,859.36)	(1,32,704.10)	(70,950.28)	(33,894.46)	(1,04,844.74)

- (a) Capital reserve: Capital reserves consists of Deposits forfeited against share warrants
- (b) Securities Premium: Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (c) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (d) Retained earnings: It comprise of accumulated profit/ (loss) of the Company. The movement is on account of following: ₹ (27,844.47) lacs {P.Y.: ₹ (33,887.13 lacs)} was on account of profit/ (loss) incurred by the Company.

NOTE - 17 BORROWINGS

(₹ in Lacs)

NOTES	PARTICULARS	Non-Current		Current	
		31-03-2019	31-03-2018	31-03-2019	31-03-2018
17.1	NON - CURRENT BORROWINGS				
	Term Loans from Banks (Secured)				
	Rupee Term Loans	37,966.02	42,852.65	20,967.94	16,081.30
	Working Capital Term Loan (WCTL)	38,111.59	41,148.56	12,147.84	9,110.88
	Funded Interest Term Loan (FITL)	73.27	5,688.98	28,291.11	22,675.40
		76,150.88	89,690.19	61,406.89	47,867.58
	Loans from Related Parties (Unsecured)				
	from Body Corporates	7,280.00	7,280.00	-	-
		7,280.00	7,280.00	-	-
	Other Loans and Advances				
	Loans from Body Corporates (Unsecured)	146.56	146.56	-	-
		146.56	146.56	-	-
		83,577.44	97,116.75	61,406.89	47,867.58
	The above amount includes				
	Secured Borrowings	76,150.88	89,690.19	61,406.89	47,867.58
	Unsecured Borrowings	7,426.56	7,426.56	-	-
	Amount disclosed under the head - "Other Current Financial Liabilities" (Refer Note 20)	-	-	(61,406.89)	(47,867.58)
	Total	83,577.44	97,116.75	-	-

Notes on Financial Statements for the year ended 31st March, 2019

		(₹ in Lacs)	
		31-03-2019	31-03-2018
17.2	CURRENT BORROWINGS		
	Working Capital Loans from Banks (Secured)		
	Rupee Loans	112,094.14	113,435.77
	Other Loans and Advances		
	Factoring facility secured against specific debts	636.28	636.28
	Total	112,730.42	114,072.05

NOTE - 17 BORROWINGS (Contd.)

(A) Working Capital Term Loan :

Upon implementation of the CDR Package (Refer Note 30), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

(B) Funded Interest Term Loan :

Upon implementation of the CDR Package (Refer Note 30), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on residual cash credit limit for a period of 9 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th June, 2014;

(C) Details of security :

In terms of the CDR package, Rupee Term Loans , Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan are pooled together and secured as under:

- a) First pari-passu charge on the entire Fixed Assets of the Company (excluding value of vehicles), both present and future, including equitable mortgage of factory land & building at Bishnupur (West Bengal), Jajpur (Odisha and Haldia (West Bengal). Also, secured by way of mortgage on Freehold land at New Town, District: North 24 Parganas measuring 50 Cottahs.
- b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal) and at other Units.
- c) Collateral security by equitable mortgage on Land & Building at 1/26, Vidyadhar Nagar, Jaipur, Rajasthan held in the name of Shubham Complex Pvt. Ltd., Office space measuring 835 sq. ft. located at Flat no. 21B, 4th Floor, Bowbazar, 35, C.R. Avenue, Kolkata-12, held in the name of Mr. S.K.Patni and Flat No. A-52, Block-A, 35, Dr. Abani Dutta Road, Salkia, Howrah, held in the name of Mr. Rohit Patni.
- d) Pledge of 100% of the promoter's shares representing 72% of the paid up Capital of the company on pari passu basis.
- e) Personal Guarantee of the Promoters - Mr. S.K.Patni, Mr. Rohit Patni and Mr. Ankit Patni.
- f) Corporate Guarantee of the Group Companies - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd.

(D) Terms of Repayment of Loans :

(i) Terms of Repayment of Rupee Term Loans availed for Haldia Project, 33 MVA Furnace and Stainless Steel Plant of the Company and Working Capital Term Loan :

Upon implementation of the CDR Package, the existing Rupee Term Loan amounting to ₹ 33,234.93 lacs in respect of Haldia Project, 33 MVA Furnace and Stainless Steel Project and Working Capital Term Loan are to be repaid over a period of 8 years by way of 32 structured quarterly installments commencing from 31st December, 2015 up to 30th September, 2023 as per the Repayment Schedule given below. Further, such loans carry the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 17 BORROWINGS (Contd.)

Financial Year	Quarters	Repayment per Quarter	Total
2015-2016	2	1.00%	2.00%
2016-2017	4	1.00%	4.00%
2017-2018	4	1.50%	6.00%
2018-2019	4	1.50%	6.00%
2019-2020	4	1.50%	6.00%
2020-2021	4	4.00%	16.00%
2021-2022	4	4.50%	18.00%
2022-2023	4	6.00%	24.00%
2023-2024	2	9.00%	18.00%
Total	32		100.00%

(ii) **Terms of Repayment of Term Loan availed for 67.5 MVA Captive Power Plant project of the Company :**

Upon implementation of the CDR Package, the Rupee Term Loan amounting to ₹ 25,699.04 lacs in respect of 67.5 MVA Captive Power Plant is to be repaid by way of 38 equal quarterly installments commencing from 31st December, 2015 up to 31st March, 2025. Further, the loan carries the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iii) **Terms of Repayment of Funded Interest Term Loan :**

Repayment of FITL is to be made in 18 equal quarterly installments commencing from 31st December, 2015 with the last installment due on 31st March, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

Repayment of FITL is to be made in 18 equal quarterly installments commencing from 31st December, 2015 with the last installment due on 31st March, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iv) **Terms of Repayment of Working Capital Loan :**

The rate of interest on the working capital loans from banks is 10.3% linked to the base rate of State Bank of India.

(v) **Period and Amount of Default as on the Balance Sheet date :**

(₹ in Lacs)

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
ALLAHABAD BANK	2,246.00	486.88	Quarter ending 31st December, 2015 to 31st March, 2019
CANARA BANK	412.74	1,134.69	
EXIM BANK	1,602.00	3,806.66	
STATE BANK OF INDIA	9827.84	228.91	
UNITED BANK OF INDIA	1,992.72	(719.80)	
TOTAL	16,081.30	4,937.34	

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
WORKING CAPITAL TERM LOAN			
ALLAHABAD BANK	264.24	106.00	Quarter ending 31st December, 2015 to 31st March, 2019
ANDHRA BANK	214.38	546.57	
BANK OF BARODA	801.00	-	
CENTAL BANK OF INDIA	41.58	(0.00)	
PUNJAB NATIONAL BANK	772.56	-	
STATE BANK OF INDIA	4350.78	(48.82)	
UNITED BANK OF INDIA	2,141.64	-	
UCO BANK	524.70	305.79	
TOTAL	9,110.88	909.54	
FUNDED INTEREST TERM LOAN			
ALLAHABAD BANK	1,695.39	(47.29)	Quarter ending 31st December, 2015 to 31st March, 2019
ANDHRA BANK	314.86	215.43	
BANK OF BARODA	979.90	-	
CANARA BANK	391.96	251.98	
CENTRAL BANK OF INDIA	220.09	(53.39)	
EXIM BANK	1,511.07	694.53	
PUNJAB NATIONAL BANK	1,103.28	1.00	
STATE BANK OF INDIA	11578.40	148.96	
UNITED BANK OF INDIA	4,118.70	-	
UCO BANK	577.05	105.16	
TOTAL	22,490.70	1,316.38	
WORKING CAPITAL LOAN			
ALLAHABAD BANK (CC)		771.31	Quarter ending 31st December, 2015 to 31st March, 2019
ANDHRA BANK (CC)		1,172.70	
BANK OF BARODA (CC)		364.88	
CENTRAL BANK OF INDIA (CC)		(0.55)	
PUNJAB NATIONAL BANK (CC)		171.44	
STATE BANK OF INDIA (CC)		1395.77	
UNITED BANK OF INDIA (CC)		(6.25)	
UCO BANK (CC)		345.51	
TOTAL		4,214.80	
GRAND TOTAL		11,378.07	

The above disclosure is as per provision made in books. The unprovided liability in respect of interest on non-current and current borrowings amounting to ₹ 86,546 lacs as per notes no. 45 also continued to be in default.

- (vi) Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 6,656 lacs from promoters & promoter group companies as promoter's contribution, to be converted into equity. Subsequently, with the invocation of SDR, the said amount of ₹ 6,656 lacs was allowed to be converted into equity at par. The company has since applied for in-principal approval from Stock Exchanges and the same is awaited.
- (vii) Unsecured Loan from Body Corporates (Other than related parties) aggregating to ₹ 146.56 lacs (P.Y.: ₹ 146.56 lacs) are interest free. Such loans are repayable at the option of the Company and are stated by the management to be in the nature of Long term borrowings.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
18	DEFERRED TAX LIABILITIES (NET)		
	Deferred tax liabilities	18,323.73	15,100.25
	Deferred tax assets	(1,03,966.24)	(77,633.06)
	Net Deferred Tax Liability / (Asset)	(85,642.51)	(62,532.81)

2018-19 Deferred tax liabilities/(assets) in relation to:		Opening balance	Recognised in Statement of Profit & Loss	Closing Balance
	Provision for doubtful debts and advances/other write offs	4,293.27	2,770.37	7,063.64
	Property, plant & equipment (PPE)	10,806.98	453.11	11,260.09
	Unabsorbed Depreciation	(12,968.82)	(3,796.50)	(16,765.32)
	Unabsorbed business Loss	(64,664.24)	(22,536.68)	(87,200.92)
	Total	(62,532.81)	(23,109.70)	(85,642.51)

2017-18 Deferred tax liabilities/(assets) in relation to:		Opening balance	Recognised in Statement of Profit & Loss	Closing Balance
	Provision for doubtful debts and advances/other write offs	2,846.94	1,446.33	4,293.27
	Property, plant & equipment (PPE)	9,764.71	1,042.28	10,806.98
	Unabsorbed Depreciation	(8,552.47)	(4,416.35)	(12,968.82)
	Unabsorbed business Loss	(36,714.43)	(27,949.81)	(64,664.24)
	Total	(32,655.25)	(29,877.56)	(62,532.81)

Net Deferred Tax Asset has not been recognised as a matter of Prudence, in accordance with the Ind AS-12 (Income Taxes) issued by The Institute of Chartered Accountants of India.

NOTES	PARTICULARS	31-03-2019	31-03-2018
19	TRADE PAYABLES		
	Due to Micro, Small & Medium Enterprises [Refer Note (a) below]	-	-
	Due to others	21,499.08	21,773.95
	Total	21,499.08	21,773.95

- There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- Trade Payables include ₹ 2,755.96 lacs (P.Y.: ₹ 5,731.33 lacs) against pledge of stock of raw materials.
- Trade Payables include ₹ NIL lacs (P.Y.: ₹ 2.23 lacs) due to related parties. (Refer Note No. 38)

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
20	OTHER CURRENT FINANCIAL LIABILITIES		
	Current maturities of long-term debt (Refer Note 17.1)	61,406.88	47,867.58
	Interest Accrued and due on Borrowings	11,135.97	8,830.45
	Unclaimed Dividend *	1.71	2.65
	Other Payables		
	For Capital Goods	1,475.01	1,850.65
	For Accrued Expenses & Others	929.44	881.38
	Total	74,949.01	59,432.71

* An amount of ₹ 1.46 lacs (P.Y.: ₹ 1.61 lacs) has been transferred during the year to Investor Education & Protection Fund.

NOTES	PARTICULARS	31-03-2019	31-03-2018
21	CURRENT TAX LIABILITIES (NET)		
	Tax Liabilities:		
	-Provision For Taxation	871.17	871.17
	Tax Assets:		
	-Income Tax Payments (Including TDS)	(474.45)	(458.58)
	-Income Tax Refundable	(23.10)	(23.10)
	Total	373.62	389.49

NOTES	PARTICULARS	31-03-2019	31-03-2018
22	OTHER LIABILITIES		
	Non Current		
	Deferred Government Grant	89.70	97.86
		89.70	97.86
	Current		
	Advance from Parties	772.59	3,860.78
	Deferred Government Grant	8.15	8.15
	Liabilities against statutory dues	4,216.63	2,125.10
		4,997.37	5,994.03
	Total Other Liabilities	5,087.07	6,091.89

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
23	REVENUE FROM OPERATIONS		
	Sale of Products		
	Sale of Manufactured Goods		
	Export Sales	-	3,959.25
	Domestic Sales	82,593.80	67,481.75
	Sale of Raw Materials	6,689.19	1,576.97
		89,282.99	73,017.97
	Other Operating Revenues		
	Export Incentives	-	120.78
	Total	89,282.99	73,138.75

NOTES	PARTICULARS	31-03-2019	31-03-2018
24	OTHER INCOME		
	Interest Income		
	- On Fixed Deposits	1.99	9.64
	- Other Deposits	156.38	136.86
	- On loan/ advances to subsidiary	-	88.99
	Sundry Balances Written Back	-	171.09
	Lease Rent Received	0.30	5.76
	Miscellaneous Income	28.55	21.55
	Insurance Claim Received	150.00	0.02
	Amortisation of Deferred Government Grant	8.15	8.18
	Total	345.37	442.09

NOTES	PARTICULARS	31-03-2019	31-03-2018
25	COST OF MATERIALS CONSUMED		
	(including cost of Raw Materials sold)		
	Opening Stock of Raw Materials (including intermediates)	8,467.55	31,795.54
	Purchases during the year (including freight)	61,468.25	43,555.93
		69,935.80	75,351.47
	Less: Closing Stock of Raw Materials	3,521.33	8,389.30
	Cost of Raw Materials consumed	66,414.47	66,962.17
	Less: Closing Stock of Intermediates	176.37	78.25
	Cost of Materials consumed	66,238.10	66,883.92

Note:

Raw Material consumed includes ₹ NIL (P.Y. ₹ 6,323.03 lacs) on account of amount write down of raw material in Haldia plant on prudent basis as the Haldia plant was shut down since July'15.

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
26	CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
	Opening Stock		
	Finished Goods		
	Ferro Alloys	425.25	903.96
	Iron & Steel Products	567.96	801.94
	Work-In-Progress		
	Ferro Alloys	1,686.46	2,607.62
	Iron & Steel Products	496.04	293.89
		3,175.71	4,607.41
	Closing Stock		
	Finished Goods		
	Ferro Alloys	348.87	425.25
	Iron & Steel Products	1,884.41	567.96
	Work-In-Progress		
	Ferro Alloys	1,612.65	1,686.46
	Iron & Steel Products	612.47	496.04
		4,458.40	3,175.71
		(1,282.69)	1,431.70

NOTES	PARTICULARS	31-03-2019	31-03-2018
27	EMPLOYEE BENEFITS EXPENSE		
	Salaries, Wages, Bonus & Allowances	1,511.47	1,319.16
	Contribution to Provident & Other Funds	87.42	84.23
	Gratuity [Refer Note 36]	32.07	34.65
	Directors' Remuneration	49.68	49.68
	Welfare Expenses	21.78	19.05
		1,702.42	1,506.77

NOTES	PARTICULARS	31-03-2019	31-03-2018
28	FINANCE COSTS		
	Interest Expense		
	To Banks (Refer Note 45)	4,442.95	4,261.25
	To Others	558.10	721.26
	Other Borrowing Costs	9.41	340.69
		5,010.46	5,323.20

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
29	OTHER EXPENSES		
	Labour Charges	1,805.04	1,754.54
	Power & Fuel	18,950.36	16,375.12
	Water Supply Charges	101.68	115.14
	Stores, Spares and Consumables	5,624.10	4,026.92
	Packing Materials	0.90	12.34
	Material Handling Expenses	519.33	441.24
	Repairs		
	- To Factory Shed & Building	27.94	21.68
	- To Plant & Machinery	116.84	88.86
	Rent	27.88	22.68
	Rates & Taxes	33.59	13.04
	Electricity Expenses	15.62	17.07
	Insurance	75.24	72.56
	Printing and Stationery	7.33	8.76
	Postage and Courier	4.88	6.34
	Telephone Charges	18.58	27.67
	Travelling & Conveyance	73.88	86.33
	Car Running and Maintenance	54.06	53.90
	Other Repairs and Maintenance	48.20	62.82
	Security Service Charges	225.79	183.32
	Membership and Subscription	5.82	6.48
	Internal Audit Fees	2.00	2.00
	Legal and Professional Charges	183.08	160.56
	Auditors' Remuneration [Refer Note Below]	13.00	15.37
	Directors' Sitting Fees	1.08	1.18
	Miscellaneous Expenses	62.74	71.53
	Short Realisation/ Loss on sale of DEPB	0.51	6.71
	Testing & Inspection Charges	22.71	17.91
	Donations	2.22	3.11
	Advertisement & Sales Promotion	47.54	44.88
	Freight & Forwarding on Export	0.56	122.99
	Transportation & Delivery Charges	1,826.65	1,619.80
	Commission on Sales	2.12	44.13
	Corporate Social Responsibility	1.31	5.60
	Sundry Balances Written Off	115.31	55.25
	Allowances for expected credit losses	2,770.37	1,446.33
	Allowances for doubtful export incentives	(17.70)	-
	Foreign Exchange Fluctuation Loss	381.60	144.57
		33,152.16	27,158.28

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 29 OTHER EXPENSES (Contd.)

(₹ in Lacs)

Auditors' Remuneration:	31-03-2019	31-03-2018
i) As Statutory Auditor [includes tax audit fees of ₹ 2.00 Lacs (P.Y. ₹ 2.00 Lacs)]	10.00	10.00
ii) For Taxation matters	-	0.10
iii) For Other services	5.00	5.27
Total	15.00	15.37

30 CORPORATE DEBT RESTRUCTURING

During the year 2013-14, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) was referred to CDR Empowered Group (CDR EG) by the consortium of lenders led by State Bank of India (SBI). The CDR Proposal as recommended by SBI was approved by CDR EG on 24th March, 2014 and communicated vide Letter of Approval dated 28th March, 2014, as amended / modified from time to time. Under CDR package, the Company's debts were restructured / rescheduled and additional credit facilities have been sanctioned as set out in the said Letter of Approval. The cut off date for CDR package was 30th September, 2013 and upon implementation, the financial effect thereof has been duly taken into accounts.

The CDR Package includes reliefs / measures such as reduction in interest rates, funding of interest, rearrangement of securities etc. The key features of the CDR Proposal are as follows:

- (i) Repayment of Rupee Term Loans (RTL) (except term loan for Captive Power Plant of the Company) after moratorium of 2 years from the cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- (ii) Repayment of Rupee Term Loans for Captive Power Plant of the Company after moratorium of 2 years from the cut-off date in 38 structured quarterly installments commencing from 31st December, 2015 to 31st March, 2025.
- (iii) Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of WCTL after moratorium period of 2 years from cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- (iv) Restructuring of existing fund based and non fund based financial facilities.
- (v) Interest on RTL and WCTL during the moratorium period of 2 years from cut-off date and interest on Cash Credit limit for a period of 9 months from the cut-off date shall be converted to FITL. Repayment of FITL would be done in 18 equal quarterly installments commencing from 31st December, 2015 to 31st March, 2020.
- (vi) The rate of interest on RTL, WCTL, FITL and Fund Based Working Capital Facilities shall be 11% (linked to the base rate of SBI) with the right to reset the rate of the Term loan(s) and FITL every year with the approval of CDR-EG.
- (vii) Waiver of penal interest for irregularities in the Cash Credit accounts for the period from cut-off date to the date of implementation of the package.
- (viii) Contribution of ₹ 5,664 lacs in the Company by the promoters in lieu of bank sacrifices and ₹ 8,577 lacs to meet the additional cost over run towards the Captive Power plant project of the Company. The contribution is to be brought initially in the form of unsecured loan by 30th September, 2014 and the same is to be converted into equity by 30th June, 2015.
- (ix) The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/ to be made by CDR Lenders as per the CDR package is approximately ₹ 69,987 lacs.

Notes on Financial Statements for the year ended 31st March, 2019

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2019	31-03-2018
31	EARNINGS PER SHARE		
	Weighted average number of Equity Shares outstanding during the year	1,137.76	1,137.76
	Number of Shares considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share (Refer Note below)	1,137.76	1,137.76
	Profit after Tax attributable to Equity Shareholders (₹ in Lacs)	(27,844.48)	(33,887.13)
	Nominal Value of Ordinary Shares (₹)	10	10
	Earnings Per Share (Basic) (₹)	(24.47)	(29.78)
	Earnings Per Share (Diluted) (₹)	(24.47)	(29.78)

32 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities not provided for in the books of accounts in respect of :

(a) Corporate Guarantee to Indian Overseas Bank, Hongkong to secure the financial assistance to SKP Overseas Pte Ltd, a Wholly Owned Subsidiary. Amount payable by SKP Overseas Pte Ltd. to Indian Overseas Bank, Hongkong as on 31st March 2019 is USD. 6.06 Million (P.Y.:USD. 6.06 Million).

(b) Right of Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines, amounting to ₹ 69,987 lacs (Refer Note 30)

(c) Claims against the company not acknowledged as debt: (₹ in Lacs)

	31-03-2019	31-03-2018
Disputed Excise Duty under appeal	3,236.60	1,997.28
Service Tax	879.40	380.52
Disputed Sales Tax/ VAT under appeal	675.54	5,452.31
Disputed Entry Tax under appeal	3,629.03	51.42
Disputed Provident Fund demand under appeal	1.80	1.80
Customs	540.35	540.35
Income Tax	6,217.42	6,436.61
Dispute with parties not acknowledged as debt	2,463.19	2,995.61

(ii) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) ₹ 1,954.34 Lacs (P.Y.: ₹ 1,574.33 Lacs).

33 The current and non-current assets, in the opinion of the management, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

34 Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation. The reported financials might have consequential impact once the reconciliation is completed, the quantum where of remains unascertained. Advance from Parties includes ₹ 80.35 lacs (P.Y.: ₹ 198.62 lacs) being certain receipts lying under suspense account in absence of information as to the credits in the bank account.

35 RESEARCH AND DEVELOPMENT EXPENSES

Research and Development expenses aggregating to ₹ NIL Lacs (P.Y.: ₹ NIL Lacs) in the nature of revenue expenditure have been included under the appropriate account heads.

Notes on Financial Statements for the year ended 31st March, 2019

36 EMPLOYEE BENEFITS

a. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (unfunded).

The Company provides for gratuity from employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of completed service.

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2019 which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company's gratuity expense is recognized under the head – "Employee Benefit Expense" in Note 27.

These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

b. Defined Benefit Plan :

(₹ in lacs)

	31-03-2019	31-03-2018
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets		
Present Value of funded obligation at the end of the year	268.17	231.13
Fair Value of Plan Assets at the end of the year	264.35	206.18

Net Asset /(Liability) recognised in the Balance Sheet

(i) Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation :

	31-03-2019	31-03-2018
(a) Balance at the beginning of the year	231.13	187.42
(b) Current service cost	30.12	28.03
(c) Interest cost	18.02	14.05
(d) Actuarial (gains) / losses recognised in other comprehensive income		
- financial assumptions	3.28	(9.10)
- experience adjustment	2.51	16.42
(e) Past Service Cost	-	1.83
(f) Benefits paid	(16.88)	(7.53)
Balance at the end of the year	268.17	231.13

(ii) Changes in the Fair Value of Plan Assets and reconciliation thereof:

	31-03-2019	31-03-2018
(a) Balance at the beginning of the year	206.18	123.46
(b) Interest income	16.07	9.25
(c) Remeasurements due to: Actual return on plan asset less interest on plan asset		
(d) Contributions by the employer	68.08	81.00
(e) Benefits paid	(16.88)	(7.53)
(f) Return on plan assets , excluding amount recognised in net interest expense	(9.10)	-
Fair Value of Plan Assets at the close of the year	264.35	206.18

(iii) Amount Recognised in the Balance Sheet including a reconciliation of the present value of the defined obligation in (i) and the fair value of the plan assets in (ii) to assets and liabilities recognised in the Balance Sheet :

	31-03-2019	31-03-2018
Present value of defined benefit obligation	(268.17)	(231.13)
Fair value of plan assets	264.35	206.18
Net defined benefit obligations in the Balance Sheet	(3.82)	(24.95)

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 36 EMPLOYEE BENEFITS (Contd.)

(iv) Amount recognised in the Profit and Loss Account are as follows :

	31-03-2019	31-03-2018
Current service cost	30.12	28.03
Interest cost	1.94	4.79
Past Service Cost	-	1.83
Expected return on plan assets	-	-
Amount charged to Statement of Profit and Loss	32.07	34.65

(v) Remeasurements recognised in other comprehensive income (₹ in Lacs)

	31-03-2019	31-03-2018
Actuarial loss (gain) arising on defined benefit obligation from		
- financial assumptions	3.28	(9.10)
- experience adjustment	2.51	16.42
Actual return on plan asset less interest on plan asset	9.09	-
Amount recognised in other comprehensive income	14.88	7.33

(vi) Maturity profile of defined benefit obligation

	31-03-2019	31-03-2018
Within the next 12 months	21.15	18.50
Between 1 and 5 years	50.05	36.13
Between 5 and 10 years	98.39	98.81
More than 10 years	707.18	649.29

(vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

	31-03-2019	31-03-2018
Defined benefit obligation on discount rate plus 100 basis points	237.92	204.22
Defined benefit obligation on salary growth rate plus 100 basis points	304.53	263.67
Attrition Rate(+50%)	270.72	233.78
Mortality Rate(+10%)	268.31	231.27
Defined benefit obligation on discount rate minus 100 basis points	304.46	263.57
Defined benefit obligation on salary growth rate minus 100 basis points	237.35	203.68
Attrition Rate(-50%)	265.33	228.18
Mortality Rate(-10%)	268.03	231.00

(viii) Broad Categories of Plan Assets as a percentage of Total Assets as at 31st March, 2018

	31-03-2019	31-03-2018
Qualifying Insurance Policy	100%	100%

(ix) Actuarial assumptions

	31-03-2019	31-03-2018
a. Discount Rate	7.70%	7.80%
b. Salary Escalation Rate	6.50%	6.50%
c. Mortality Rate (% of IALM 06-08)	100.00%	100.00%

Notes on Financial Statements for the year ended 31st March, 2019

37 OPERATING SEGMENTS

A. Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's strategic business units. These business units are managed separately because they require different technology and marketing strategies. For these business units, the Company's management reviews internal reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segment	Operations
Ferro Alloys and Minerals	Manufacturing
Iron and Steel	Manufacturing

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(₹ in Lacs)

	31-03-2019	31-03-2018
Segment Revenue		
Ferro Alloys and Minerals	57,769.01	47,117.76
Iron and Steel	39,818.16	33,846.23
Inter Segment Revenue	(8,304.18)	(7,825.24)
Total	89,282.99	73,138.75

(₹ in Lacs)

	31-03-2019	31-03-2018
Segment Results (Profit before Finance Cost & Tax)		
Ferro Alloys and Minerals	(8,155.13)	(22,896.39)
Iron and Steel	(5,370.74)	(5,878.53)
Unallocated	0.84	210.99
Total	(13,525.02)	(28,563.93)
Finance Cost	5,010.46	5,323.20
Exceptional Items	9,309.00	-
Profit before tax	(27,844.48)	(33,887.13)
Less: Income Tax	-	-
Profit after tax	(27,844.48)	(33,887.13)

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 37 OPERATING SEGMENTS (Contd.)

Other information

	Year Ended	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Exps (other than Depreciation)
Ferro Alloys and Minerals	31-03-2019	82,090.41	16,832.95	14.03	2,924.72	-
	31-03-2018	1,05,267.06	38,466.53	15.80	2,954.66	-
Iron and Steel	31-03-2019	94,302.18	12,298.09	-	418.67	-
	31-03-2018	91,936.56	(7,712.41)	-	419.41	-
Unallocated	31-03-2019	497.55	871.17	-	-	-
	31-03-2018	8,206.09	871.17	-	-	-
Total (31-03-2019)		1,76,890.15	30,002.21	14.03	3,343.39	-
Total (31-03-2018)		2,05,409.71	31,625.29	15.80	3,374.07	-

Secondary segment information (geographical segment)

Segment	Period		External revenue by location of customers	Carrying amount of segment assets by location of assets	Cost incurred on acquisition of tangible and intangible fixed assets
Within India	Year ended	31-03-2019	89,282.99	1,76,753.04	14.03
	Year ended	31-03-2018	69,179.50	1,95,884.95	15.80
Outside India	Year ended	31-03-2019	-	137.11	-
	Year ended	31-03-2018	3,959.25	9,524.76	-
Total	Year ended	31-03-2019	89,282.99	1,76,890.15	14.03
	Year ended	31-03-2018	73,138.75	2,05,409.71	15.80

NOTE - 38 RELATED PARTY DISCLOSURE

1. Related Parties where control exists

- | | |
|--------------------------|---------------------------------------|
| 1. SKP Overseas PTE Ltd. | - Wholly Owned Subsidiary |
| 2. PT Bara Prima Mandiri | - Subsidiary of SKP Overseas PTE Ltd. |

2(a) Key Managerial Personnel

- | | |
|---------------------------------|---------------------------|
| 1. Mr. Ankit Patni | - Managing Director |
| 2. Mr. Suresh Kumar Patni | - Non-Executive Director |
| 3. Mr. Ankit Jain | - Independent Director |
| 4. Mr. Ravindra Kumar Mehra | - Independent Director |
| 5. Mrs. Sujata Agarwal | - Independent Director |
| 6. Mr. Ankit Rungta | - Independent Director |
| 7. Mr. Parama Bhattaraka Lahiri | - Nominee Director |
| 8. Mr. Vipul Jain | - Chief Financial Officer |
| 9. Mr. Anil Prasad Shaw | - Company Secretary |

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 38 RELATED PARTY DISCLOSURES (Contd.)

- (b) Enterprises in which director is interested**
1. M/s. Ankit Metal & Power Ltd.
 2. M/s. Impex Fero Tech Ltd.
 3. M/s. Impex Metal & Ferro Alloys Ltd.
 4. M/s. Relybulls Stock Broking Pvt. Ltd.
 5. M/s. Relybulls Derivatives and Commodities Pvt. Ltd.

- (c) Enterprises owned or significantly influenced by the Key managerial Personnel or their relatives**
1. M/s. Nucore Exports Pvt. Ltd.
 2. M/s. Arthodock Vinimay Pvt. Ltd.
 3. M/s. Gajkarna Merchandise Pvt. Ltd.
 4. M/s. SBM Steels Pvt. Ltd.
 5. M/s. Shubham Complex Pvt. Ltd.
 6. M/s. Relybulls Stock Broking Pvt. Ltd.
 7. M/s. Relybulls Derivatives and Commodities Pvt. Ltd.
 8. M/s. SKP Overseas Pte. Ltd.

(d) Related Party Transaction taken place during the year

(₹ in Lacs)

Nature of Transactions	31-03-2019	31-03-2018
Interest Received on Loan		
SKP Overseas PTE Ltd.	-	88.99
Purchases		
Impex Ferro Tech Ltd.	-	66.14
Impex Metal & Ferro Alloys Ltd.	32.57	24.86
Sales of Goods		
Impex Ferro Tech Ltd.	41.63	86.02
Impex Metal & Ferro Alloys Ltd.	2.55	24.89
DEPB/IEIS/MEIS/Focus Licence Purchased		
Impex Ferro Tech Ltd.	12.47	-
DEPB/IEIS/MEIS/Focus Licence Sold		
Impex Ferro Tech Ltd.	23.28	11.25
Impex Metal & Ferro Alloys Ltd.	-	42.88
Nature of Transactions	31-03-2019	31-03-2018
Lease Rent Received		
Impex Metal & Ferro Alloys Ltd	-	4.09
Marble Arch Properties Pvt.Ltd.	-	7.50
Rent Paid		
Marble Arch Properties Pvt.Ltd.	3.54	6.15
Advance to		
Marble Arch Properties Pvt.Ltd.	12.95	-
Security Deposit Received		
Sarita Patni	-	1.00
Managerial Remuneration		
Ankit Patni	24.00	24.00
R.K.Burnwal	25.68	25.68

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 38 RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lacs)

Sitting Fees		
Suresh Kumar Patni	0.23	0.25
e) Outstanding Balances		
Nature of Transactions	31-03-2019	31-03-2018
Trade Payables/ Payables for Accrued Expenses		
Marble Arch Properties Pvt.Ltd.	-	2.23
Trade Receivables		
Impex Metal & Ferro Alloys Ltd	-	102.05
Impex Ferro Tech Ltd.	754.81	633.65
Ankit Metal & Power Ltd.	118.59	117.81
SKP Overseas PTE Ltd.	-	130.09
Loan Given *		
SKP Overseas PTE Ltd.	-	1,572.14
* Including accrued interest		
Loan Taken		
Suanvi Trading & Investment Co.Pvt. Ltd	150.00	150.00
Shreyansh Leafin Pvt. Ltd.	1,498.50	1,498.50
Vasupujya Enterprises (P) Ltd.	1,613.00	1,613.00
Whitestone Suppliers Pvt.Ltd.	1,467.00	1,467.00
Gajkarna Merchandise Pvt Ltd.	1,459.00	1,459.00
Astabhuja Properties Pvt. Ltd.	1,010.50	1,010.50
Poddar Mech Tech Services (P) Ltd.	82.00	82.00
Advances / Deposits Given		
SKP Overseas PTE Ltd.	-	97.57
Marble Arch Properties Pvt.Ltd.	12.95	-
Sarita Steel & Power Ltd.	70.00	70.00
Investment in Equity Shares		
SKP Overseas PTE Ltd.	-	7,724.41
Advances / Deposits taken		
Sarita Patni	1.00	1.00
Managerial Remuneration		
Ankit Patni	61.80	37.80

Term Loans, Working Capital Term Loan, Funded Interest Term Loans and Working Capital Facilities from banks are secured by way of Corporate Guarantee of the Related Parties - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd. and Personal Guarantee of the Promoters - Mr. S.K.Patni, Mr. Rohit Patni and Mr. Ankit Patni.

Corporate Guarantee to Indian Overseas Bank, Hongkong has been given to secure the financial assistance to SKP Overseas Pte Ltd. Amount payable by SKP Overseas Pte Ltd. to Indian Overseas Bank, Hongkong as on 31st March, 2019 is USD. 6.06 Million (P.Y. USD. 6.06 Million).

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 38 RELATED PARTY DISCLOSURES (Contd.)

39 INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS WITH STOCK EXCHANGES

NOTES	Particulars	31-03-2019	31-03-2018	Maximum balance during the current year	Maximum balance during the previous year
	Loans and advances in the nature of loans to subsidiary company*				
	SKP Overseas PTE Ltd.	-	1,572.14	-	1,572.14
	(*Including accrued interest)				

40 FOREIGN EXCHANGE EARNINGS AND OUTGO: (₹ in Lacs)

NOTES	Particulars	31-03-2019	31-03-2018
	Earnings in Foreign Currency:		
	F.O.B. Value of Exports	-	3,920.77
	Interest on Loan to Subsidiary	-	88.99
	Expenditure in Foreign Currency:		
	Travelling & Conveyance	-	2.58
	Membership & Subscription	2.89	4.03
	Commission on Sales	-	27.70
	CIF Value of Imports:		
	Raw Materials	2,479.91	4,660.68
	Stores & Spares	195.79	30.73

41 AMOUNTS RECEIVABLE / PAYABLE IN FOREIGN CURRENCY

Forward contracts/ hedging instruments outstanding as at the Balance Sheet date are ₹ Nil (P.Y. ₹ Nil):

Particulars of unhedged foreign currency exposure as at the year end are as follows:

Nature (Nos.) of Contract	Currency	31-03-2019	31-03-2018
a) Amount receivable in foreign currency	EURO	-	-
a) Amount receivable in foreign currency	USD	1.88	3.88
b) Amount payable in foreign currency	EURO	0.20	0.20
c) Amount payable in foreign currency	USD	40.20	40.36

42 The most of the lenders had communicated to go for change in management by indentifying an investor who will acquire the shares held by the promoters in RFTL. A Deed of Undertaking had been executed by RFTL and its promoters in this regard. On Execution of the Deed of Undertaking, the Lenders had invited bids from prospective investors by way of sale of equity stake held by the promoters of the Company and the same was in process. The matter has since been dismissed off by the Honourable High Court in view of the revocation of the letter of intent for change in management by the Bank.

43 The Company's Factory at Haldia (West Bengal) is suspended since 1st July, 2015 on account of depressed domestic and global market conditions in steel industry and excess procurement cost of Electricity. Robbery/Damages to certain properties had occurred in the year 2016-17 and the Company had filed insurance claim of ₹ 2,603 Lacs which is under process and additionally the Company has also filed an application in the consumer forum for expediting the insurance claim process. Pending claim settlement, the financial impact of such insurance claim (Buglary/Robbery) on the reported financial year remains unascertained and unquantified.

44 The operation of the Company was severely impacted by weak steel industry scenario and lack of demand for Company's finished products. The Company has incurred loss of ₹ 27,859 Lacs for the year ended 31st March, 2019 and accumulated loss as on 31st March, 2019 is ₹ 1,75,685 Lacs which is in excess of the entire net worth of the Company. The Company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the initiative of the Company and given the emerging scenario of steel industry in India, the management is of the view

Notes on Financial Statements for the year ended 31st March, 2019

of foreseeable future about the operations of the Company and accordingly the financial statements have been prepared under 'Going Concern' basis.

- 45 The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. Pending finalization of the restructuring plan, the company has not provided accrued interest in its books as the account has been declared NPA by the respective lenders. The amount of interest not so provided for the year ended 31st March, 2019 stands at ₹ 25,357 lacs respectively. Penal interest and charges thereof (amount remaining unasserted) has not been provided for. The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2019 amounted to ₹ 86,546 Lacs. The same have consequential impact on the reported figures.
- 46 The investments and advances of SKP Overseas PTE Limited (Singapore), a wholly owned subsidiary of the company, in the step down subsidiary namely PT Bara Prima Mandiri (Indonesia) was written off in the last available audited financial statements. Accordingly, the company had diminished the value of its investments, receivables, loans & advances etc. in the wholly owned subsidiary totalling to ₹ 9,309 lacs and is shown as exceptional items.
- 47 The Company has not made any remittance in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made on behalf of non - resident shareholders.

48.0 Financial instruments and related disclosures

48.1 Fair values vs carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position of 31st March, 2019 are as follows:

(₹ In Lacs)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying amount	Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:							
Non Current Loans	3,148.57	-	-	-	-	3,148.57	3,148.57
Trade receivables	41,904.83	-	-	-	-	41,904.83	41,904.83
Cash and cash equivalents	120.06	-	-	-	-	120.06	120.06
Bank Balance Other than Cash and Cash equivalents	44.85	-	-	-	-	44.85	44.85
Other financial assets	6,037.01	-	-	-	-	6,037.01	6,037.01
Financial liabilities:							
Non Current Borrowings	83,577.44	-	-	-	-	83,577.44	83,577.44
Current Borrowings	1,12,730.42	-	-	-	-	1,12,730.42	1,12,730.42
Trade payables	21,499.08	-	-	-	-	21,499.08	21,499.08
Other financial liabilities	74,949.01	-	-	-	-	74,949.01	74,949.01

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 48 Financial instruments and related disclosures (Contd.)

(₹ in Lacs)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position of 31st March, 2018 are as follows:

(₹ In Lacs)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying amount	Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:							
Non Current Investments	7,724.41	-	-	-	-	7,724.41	7,724.41
Non Current Loans	3,084.53	-	-	-	-	3,084.53	3,084.53
Trade receivables	51,460.71	-	-	-	-	51,460.71	51,460.71
Cash and cash equivalents	1,027.07	-	-	-	-	1,027.07	1,027.07
Bank Balance Other than Cash and Cash equivalents	17.18	-	-	-	-	17.18	17.18
Loans	1,572.14	-	-	-	-	1,572.14	1,572.14
Other current financial assets	6,379.36	-	-	-	-	6,379.36	6,379.36
Financial liabilities:							
Borrowings	97,116.75	-	-	-	-	97,116.75	97,116.75
Trade payables	21,773.95	-	-	-	-	21,773.95	21,773.95
Other financial liabilities	59,432.71	-	-	-	-	59,432.71	59,432.71

48.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

48.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities comprises of borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 48.3 Financial risk management (Contd.)

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans. In addition, credit risk arises from finance guarantees.

Company's credit risk arises principally from the trade receivables and cash & cash equivalents.

Customer credit risk is managed centrally by the company through credit approvals establishing credit limits and continuously monitoring the credit worthiness of the customers to whom the credit is extended in the normal course of business. The concentration of credit risk is limited due the fact that the customer base is large and unrelated. The company estimates the Expected Credit Losses on the basis of its evaluation of each case. Provision is being made where the outstanding period exceeds 4 years @50% followed by further provision on year to year basis based on the management evaluation of each case. Credit risks from balances with banks are managed in accordance with the Company's policy.

Exposure to credit risks

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March, 2019 and 31st March, 2018 are as follows:

(₹ in lacs)

Particulars	31-03-2019	31-03-2018
Cash and cash equivalents	120.06	1,027.07
Other Bank balances	44.85	17.18
Loans and other receivables	9,185.57	18,760.44
Trade accounts and notes receivable, net	41,904.83	51,460.71
Total	51,255.31	71,265.40

The ageing of trade accounts and notes receivable as of 31st March, 2019 and 31st March, 2018 are as follows:

Particulars	31-03-2019	31-03-2018
Not Due	-	-
Over due but less than 3 month	691.82	19,133.62
3 months - 12 months	665.95	942.83
over 12 months	47,421.71	31,384.27

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 48.3 Financial risk management (Contd.)

Movement in impairment loss account is as follows:

Particulars	31-03-2019	31-03-2018
Balance at the beginning	4,104.28	2,657.95
Impairment loss recognised/ reversed	2,770.37	1,446.33
Amounts written-back	-	-
Balance at the end	6,874.65	4,104.28

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity, subject to its restructuring proposals, to meet its liabilities when due, under both normal and stressed conditions.

In the opinion of the management, the company's cash flow from business, borrowing or financing would be sufficient to meet the cash requirements for its operation with support of its lenders.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in lacs)

31-03-2019	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	1,12,094.14	636.28	83,577.44	196,307.86
Trade payables	12,350.82	9,148.26	-	21,499.08
Other non - current financial liabilities	-	-	-	-
Other current financial liabilities (Including current maturities of borrowings)	74,949.01	-	-	74,949.01
31-03-2018	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	1,13,533.42	54,656.17	42,999.21	2,11,188.80
Trade payables	21,773.95	-	-	21,773.95
Other non - current financial liabilities	-	-	-	-
Other current financial liabilities (Including current maturities of borrowings)	59,432.71	-	-	59,432.71

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of raw materials and spare parts, and exports of finished goods.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 48.3 Financial risk management (Contd.)

Exposure to currency risk

The Company's exposure to foreign currency are at the end of the reporting period are as follows:

Particulars	In original currency (USD/EURO)	In Rupees (₹)
31st March, 2019		
Trade receivables	1.68	114.70
Cash and cash equivalents	-	-
Other financial assets	1.68	114.70
Borrowings (including current maturities of long-term debt)	40.20	2,780.53
Trade payables	-	-
Derivatives	40.20	2,780.53
	(38.51)	(2,665.83)
Net exposure in respect of recognised financial assets and liabilities		

Particulars	In original currency (USD/EURO)	In Rupees (₹)
31st March, 2018		
Trade receivables	3.68	47.65
Cash and cash equivalents	-	-
Other financial assets	3.68	47.65
Borrowings (including current maturities of long-term debt)	40.36	2,625.35
Trade payables	-	-
Derivatives	40.36	2,625.35
	(36.68)	(2,577.70)

Net exposure in respect of recognised financial assets and liabilities

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2019				
USD (5% Movement)	(133.29)	133.29	(92.10)	92.10
31st March, 2018				
USD (5% Movement)	(128.88)	128.88	(89.06)	89.06

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes on Financial Statements for the year ended 31st March, 2019

NOTE - 48.3 Financial risk management (Contd.)

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	(₹ in lacs)	
	31-03-2019	31-03-2018
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-
Variable rate instruments		
Financial assets	2,50,288	2,51,630
Financial liabilities	2,50,288	2,51,630

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2019				
Variable rate instruments	2,503	(2,503)	1,729	(1,729)
Cash flow sensitivity (net)	2,503	(2,503)	1,729	(1,729)
31st March, 2018				
Variable rate instruments	2,516	(2,516)	1,739	(1,739)
Cash flow sensitivity (net)	2,516	(2,516)	1,739	(1,739)

(c) Equity price risks

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(d) Hedge accounting

Currency risk-Transactions in foreign currency

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales and interest rate exposures are denominated. The currencies in which these transactions are primarily denominated are US dollars. The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out as per the risk management policy of the Company.

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company's risk management policy is to hedge its foreign currency exposure in respect of firm commitments and highly probable forecasted transactions and interest rate risks. The counterparty for these contracts is generally a bank or a financial institution.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item. In order to designate a derivative contract as an effective hedge, the management objectively evaluates and evidence with appropriate underlying documents of each contract whether the contract is effective in offsetting cash flow attributable to the hedged risk.

Notes on Financial Statements for the year ended 31st March, 2019

In these hedging relationships, the main sources of ineffectiveness are :

- the effect of the counterparty and the Company's own credit risk on the fair value of the forward exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

Interest rate risk

The Company adopts a policy of hedging its certain interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional of hedging instruments or par amounts of hedged items.

49. Capital Management (Ind AS-1)

The fundamental goals of capital management are to:

- safeguard their ability to continue as a going concern, subject to note no. 30 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.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants. The Company applied the same capital risk management strategy that was applied in the previous period.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

(₹ in Lacs)

Particulars	31-03-2019	31-03-2018
Debt (i)	2,50,288	2,51,630
Cash and bank balances	165	1,044
Net Debt	2,50,123	2,50,586
Total Equity	(1,21,326)	(93,467)
Net debt to equity ratio	(2.06)	(2.68)

i) Debt is defined as Non-Current Borrowings from Banks, Current Borrowings and Current Maturities of Non-Current Borrowings from Banks.

50. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding years are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

As per our report of even date attached

For **R. Kothari & Company**
Chartered Accountants
FRN: 307069E

CA Manoj Kumar Sethia
Partner
Membership No: 064308
Place: Kolkata
Date: 28th day of May, 2019

For and on behalf of the Board

Suresh Kumar Patni
Chairman

Anil Prasad Shaw
Company Secretary

Vipul Jain
Chief Financial Officer

Independent Auditors' Report

To

**THE MEMBERS OF
ROHIT FERRO-TECH LIMITED**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements (CFS) of **Rohit Ferro-Tech Limited** ("hereinafter referred to as the Holding Company"), and its two Subsidiary Companies (the Holding Company and its Subsidiaries collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year 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, **except for the possible effect of the matter described in the basis for qualified opinion section of our report**, 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 31st March 2019, the Consolidated Loss, Consolidated Other Comprehensive Loss, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Qualified Opinion

We draw your attention to **Note No. 41** of the accompanying statement with regard to non-recognition of interest expense amounting to ₹ **25,670 Lacs** on the borrowings of the group for the year ended 31st March, 2019 (cumulative non provision of ₹ **87,119 Lacs** till 31.03.2019) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Cost read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expenses been recognized, the finance cost for the year ended 31st March, 2019 would have been ₹ **30,680 Lacs**, instead of reported amount of ₹ **5,010 Lacs**. Total expenses for the year ended 31st March, 2019 would have been ₹ **1,34,972 Lacs** instead of reported amount of ₹ **1,09,302 Lacs**. Net loss after tax for the year ended 31st March, 2019 would have been ₹ **45,344 Lacs** instead of reported amount of ₹ **19,674 Lacs**. Total comprehensive losses for the year ended 31st March, 2019 would have been ₹ **48,192 Lacs** instead of reported amount of ₹ **22,522 Lacs**. Other Equity would have been ₹ **(2,25,393) Lacs** instead of reported amount of ₹ **(1,38,274) Lacs**. Other current financial liability would have been ₹ **1,65,809 Lacs** instead of reported amount of ₹ **78,690 Lacs**.

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 there under, 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 qualified opinion.

Material Uncertainty Relating to Going Concern

Note 40 to the CFS Statement regarding the preparation of the CFS Statement on going concern basis, for the reason stated therein. The Holding Company has incurred losses during the year ended March 31, 2019 and has accumulated losses as on 31st March, 2019. As on date, the Holding Company's current liabilities are substantially higher than its current assets and the Holding Company's net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon the debt resolution of the company which is under process, the company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future.

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 in respect of holding company.

Independent Auditors' Report

Sl. No.	Key Audit Matter of holding Company	How our audit addressed the key Audit Matter of holding Company
1	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS-115 "Revenue from Contracts with Customers" (new revenue accounting (standard) w.e.f 01.04.2018)	Our audit procedures included the following:
	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the Balance Sheet date.	<p>We have assessed the holding Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.
2	Claim and exposure relating to taxation and litigation	Our audit procedures included the following:
	<p>The holding Company has material uncertain tax positions including matters in respect of disputed claims /levies under various taxes and legal matters.</p> <p>The taxes and litigation exposures have been identified as key audit matter due to:</p> <p>i. Litigation cases require significant judgement due to complexity of the case and involvement of various authorities.</p> <p>ii. These involve significant management judgment to determine the possible outcome of the uncertain tax positions.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained understanding of key uncertain tax positions; • We have reviewed and analysed key correspondences relating to dispute; • We have discussed the matter for key uncertain tax positions with appropriate senior management; • We have evaluated management's underlying key assumptions in estimating the tax provisions; and Assessed management's estimate of the possible outcome of the disputed cases;

Emphasis of Matter

- As referred in **Note No. 42** of the Consolidated Financial Statement, the balance of sundry debtors, advances, creditors etc. includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliation. The reported financials might have consequential impact which remains unascertained.
- In the case of the Company's subsidiary SKP Overseas Pte Ltd., as per last available audit report for the year 2016-17 their auditor has pointed out matter of emphasis that the company's total liabilities exceeded its total assets by **US \$ 1,38,59,332 (INR 8986.20 Lacs)**.The appropriateness of the going concern assumption on which the financial statements of the company are prepared is dependent on the continued financial support from its directors. The directors have agreed to continue providing financial support to the company and not recall the amount until such time when the company is financially solvent and also confirmed that if and when required additional funds will be made available to the company in order for it to meet all its liabilities which may fall due.

Our report is not modified in these matters.

Other Matter

We did not audit the Financial Statements of Subsidiaries, whose Financial Statements /financial information reflect total assets of **₹ 6,232 Lacs** as at 31st March, 2019, total revenue of Rs. Nil & total comprehensive loss **₹ 2,136 Lacs** for the year ended on that date, as considered in the Consolidated Financial Statements. The financial statement / financial information of subsidiaries

Independent Auditors' Report

are unaudited and 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 these subsidiaries, and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such Unaudited Financial Statements as certified by the Management.

Our opinion on the consolidated annual financial results 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.

Information other than the Financial Statements and Auditor's Report Thereon

1. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure 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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters.

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

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, we report that:
 - Except for the possible effect of the matter described in the basis for qualified opinion section of our report, 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;***
 - Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books.***
 - 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.
 - Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.***
 - The matter described in the basis for qualified opinion section of our report, may have adverse effect on the functioning of the company.***
 - On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors of the holding Company and subsidiaries incorporated in India, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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**".

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

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

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Consolidated Financial Statement has disclosed the impact of pending litigations on the consolidated financial position of the Group. **Refer Note 34** to its consolidated financial statements.
 - b. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. During the year, the Group has transferred an amount of ₹ **1.46 Lacs** to Investor Education and Protection Fund pertaining to unpaid dividend for the year 2010-11.

For R. Kothari & Company
Chartered Accountants
FRN: 307069E

Place: Kolkata
Dated: 14th August, 2019
UDIN: 19064308AAAABJ7720

CA: Manoj Kumar Sethia
Partner
Membership No: 064308

"Annexure A" to the Independent Auditors' Report

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of ROHIT FERRO-TECH LIMITED ("the Holding Company") for the year ended on that date. (All subsidiary companies are incorporated outside India, hence audit of the internal financial controls over financial reporting of them is not applicable).

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the holding Company 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 the Institute of Chartered Accountants of India and the Standards on Auditing issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 internal financial controls system over financial reporting of the holding 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 Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the holding company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of

"Annexure A" to the Independent Auditors' Report

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.

Place: Kolkata
Dated: 14th August, 2019
UDIN: 19064308AAAABJ7720

For R. Kothari & Company

Chartered Accountants
FRN: 307069E

CA: Manoj Kumar Sethia

Partner
Membership No: 064308

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2019	31-03-2018
I	ASSETS			
	(1) Non-Current Assets			
	(a) Property, Plant and Equipment	4	62,752.47	66,195.55
	(b) Capital work-in-progress	5	44,809.82	44,795.79
	(c) Other Intangible Assets under development	6	4,002.75	3,944.06
	(d) Financial Assets			
	- Loans	7	3,148.57	3,087.37
	(e) Other Non-Current Assets	8	415.37	773.77
			1,15,128.98	1,18,796.54
	(2) Current Assets			
	(a) Inventories	9	10,464.80	13,389.60
	(b) Financial Assets			
	(i) Trade Receivables	10	41,904.83	51,330.62
	(ii) Cash and Cash equivalents	11	122.97	1,032.06
	(iii) Bank Balance Other than Cash and Cash equivalents	12	44.85	17.18
	(iv) Other Financial Assets	13	6,037.02	6,379.36
	(c) Other Current Assets	14	9,418.16	11,170.08
			67,992.63	83,318.90
	TOTAL ASSETS		1,83,121.61	2,02,115.44
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	15	11,377.61	11,377.61
	(b) Other Equity	16	(1,38,273.99)	(1,16,187.98)
			(1,26,896.38)	(1,04,810.37)
	Non Controlling Interest		(908.22)	(471.95)
	Liabilities			
	(1) Non-Current Liabilities			
	(a) Financial Liabilities			
	- Borrowings	17.1	86,345.73	97,116.75
	(b) Deferred Tax Liabilities (Net)	18	-	-
	(c) Other Non-Current Liabilities	22	89.70	97.86
			86,435.43	97,214.61
	(2) Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17.2	1,15,196.65	1,16,387.44
	(ii) Trade Payables	19	22,263.20	22,491.71
	(iii) Other Current Financial Liabilities	20	78,689.73	62,359.80
	(b) Current Tax Liabilities (Net)	21	425.23	389.49
	(c) Other Current Liabilities	22	7,915.97	8,554.81
			2,24,490.78	2,10,183.15
	TOTAL EQUITY AND LIABILITIES		1,83,121.61	2,02,115.44

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2019	31-03-2018
I	INCOME:			
	Revenue From Operations	23	89,282.99	73,138.75
II	Other Income	24	345.37	353.10
III	Total Revenue (I + II)		89,628.36	73,491.85
IV	EXPENSES:			
	Cost of Materials Consumed	25	66,238.10	66,883.92
	Changes in Inventories of Finished Goods & Work-in-Progress	26	(1,235.84)	1,431.70
	Excise Duty		-	1,790.03
	Employee Benefits Expense	27	1,835.69	1,519.91
	Finance Costs	28	5,010.46	5,323.84
	Depreciation and Amortization Expense	4	3,356.65	3,429.16
	Other Expenses	29	34,097.33	35,379.27
	Total Expenses (IV)		1,09,302.39	1,15,757.83
V	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)		(19,674.03)	(42,265.98)
VI	EXCEPTIONAL ITEMS		-	3,506.93
VII	PROFIT/(LOSS) BEFORE TAX (V-VI)		(19,674.03)	(45,772.91)
VIII	TAX EXPENSES			
	Current Tax		-	-
	Deferred Tax		-	-
IX	PROFIT/ (LOSS) FOR THE YEAR (VII - VIII)		(19,674.03)	(45,772.91)
X	OTHER COMPREHENSIVE INCOME			
	A. (i) Items that will not be reclassified to profit or loss Remeasurements of the defined benefit plans		(14.88)	(7.33)
	(ii) Income taxes on items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		(2,833.37)	(204.96)
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAXES)		(2,848.25)	(212.29)
XI	Total Comprehensive Income/ (Loss) for the year (IX + X)		(22,522.28)	(45,985.20)
	Total Profit/(Loss) attributable to:			
	-Owner of the company		(19,225.01)	(45,746.97)
	-Non-Controlling Interest		(449.02)	(25.94)
			(19,674.03)	(45,772.91)
	Total Comprehensive Income/(Loss) attributable to:			
	-Owner of the company		(22,086.01)	(45,959.26)
	-Non-Controlling Interest		(436.27)	(25.94)
			(22,522.28)	(45,985.20)
XII	Earnings per Equity Share [Nominal Value of Share - ₹ 10]			
	Basic & Diluted	31	(16.90)	(40.21)
	Significant accounting policies	3		

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit Before Tax	(19,674.03)	(45,772.91)
	Adjustments for :		
	Depreciation	3,356.65	3,429.16
	Interest Income	(158.37)	(146.50)
	Finance Costs	5,010.46	5,323.84
	Net (gain)/Loss on sale of investments	-	(20.42)
	Remeasurements of the defined benefit plans	(14.88)	(7.33)
	Exchange translation adjustments	(2,397.02)	(204.96)
	Exchange Fluctuation Loss/(Gain)	381.74	144.57
	(Profit)/Loss on sale of Fixed Assets	(26.64)	-
	Sundry Balances written off / (back)	115.31	(115.83)
		6,267.25	8,402.53
	Operating Profit before Working Capital Changes	(13,406.78)	(37,370.38)
	Adjustments for :		
	(Increase)/Decrease in Inventories	2,924.80	24,553.81
	(Increase)/Decrease in Trade Receivables	9,310.48	10,953.96
	(Increase)/Decrease in Non Current Financial Assets	(61.20)	129.54
	(Increase)/Decrease in Other Current Financial Assets	344.14	15.21
	(Increase)/Decrease in Other Non-Current Assets	358.40	2,407.65
	(Increase)/Decrease in Other Current Assets	1,751.92	10,517.57
	Increase/(Decrease) in Trade Payables	(228.51)	(15,907.70)
	Increase/(Decrease) in Non-Current Financial Liabilities	-	(99.96)
	Increase/(Decrease) in Other Current Financial Liabilities	379.17	26,045.63
	Increase/(Decrease) in Other Non-Current Liabilities	(8.15)	(8.17)
	Increase/(Decrease) in Other Current Liabilities and Provisions	(638.84)	(3,763.16)
		14,132.21	54,844.38
	Cash generated from operations	725.43	17,474.00
	(Direct Tax Paid)/Provision for Direct tax	35.74	(0.41)
	Exchange Fluctuation Loss/(Gain)	(381.74)	(144.57)
	Net Cash from Operating Activities	379.43	17,329.02
B. CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of property, plant and equipment (including Capital Work-in-Progress and Capital Advances)	(7.17)	(83.44)
	Sale of property, plant and equipment	62.92	-
	Exchange translation adjustments for Fixed Assets	43.29	11.86
	Exchange translation adjustments for Other Intangible Assets under development	(58.69)	-
	(Increase) / Decrease in Non-Current Assets (Other than Property, Plant & Equipment)	-	7,507.01
	Interest Received	156.57	7.36
	Sale of Investment	-	305.17
	(Increase) / Decrease in Fixed Deposits with Banks	(27.67)	831.12
	Net Cash used in Investing Activities	169.25	8,579.08

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2019

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Increase/ (Decrease) in Long Term Borrowings-Non Current	(10,771.01)		(14,739.36)	
	Increase/ (Decrease) in Long Term Borrowings-Current	13,645.24		(14,406.06)	
	Increase/ (Decrease) in Short Term Borrowings	(1,190.79)		4,434.45	
	Increase/ (Decrease) in Non Controlling Interest	(436.27)		25.94	
	Interest Paid	(2,704.94)		(1,062.58)	
	Net Cash from Financing Activities		(1,457.77)		(25,747.61)
	Net Increase/(Decrease) in Cash & Cash Equivalents		(909.09)		160.49
	Cash & Cash Equivalents at the beginning of the year (Refer Note No.11 to the Accounts)		1,032.06		871.57
	Cash & Cash Equivalents at the end of the year (Refer Note No.11 to the Accounts)		122.97		1,032.06

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2019

A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Numbers	Amount
Balance as at 1 April 2017	1,137.76	11,377.61
Changes in equity share capital during 2017-18	-	-
Balance as at 31 March 2018	1,137.76	11,377.61
Changes in equity share capital during 2018-19	-	-
Balance as at 31 March 2019	1,137.76	11,377.61

B. OTHER EQUITY

For the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Reserve and Surplus				Total Other Equity	Non Controlling Interest	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance as at 1 April 2018	128.14	42,403.10	450.00	(1,59,169.22)	(1,16,187.98)	(471.95)	(1,16,659.93)
Profit/(Loss) for the year				(19,225.01)	(19,225.01)	(449.02)	(19,674.03)
Movement during the year							-
Other Comprehensive Income (Loss) for the year				(2,861.00)	(2,861.00)	12.75	(2,848.25)
Total Comprehensive Income for the year	-	-	-	(22,086.01)	(22,086.01)	(436.27)	(22,522.28)
Balance as at 31st March 2019	128.14	42,403.10	450.00	(1,81,255.23)	(1,38,273.99)	(908.22)	(1,39,182.21)

For the year ended 31st March, 2018

Particulars	Reserve and Surplus				Total Other Equity	Non Controlling Interest	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance as at 1 April 2017	128.14	42,403.10	450.00	(1,13,209.96)	(70,228.72)	(458.44)	(70,687.16)
Profit/(Loss) for the year				(45,746.97)	(45,746.97)	(25.94)	(45,772.91)
Movement during the year							-
Other Comprehensive Income (Loss) for the year				(212.29)	(212.29)	12.43	(199.86)
Total Comprehensive Income for the year	-	-	-	(45,959.26)	(45,959.26)	(13.51)	(45,972.77)
Balance as at 31st March 2018	128.14	42,403.10	450.00	(1,59,169.22)	(1,16,187.98)	(471.95)	(1,16,659.93)

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE 4 – Property, Plant and Equipment	Particulars	Land		Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
		Freehold	Leasehold						
	Cost or deemed cost (Gross carrying amount)								
	As at 1st April, 2017	1,081.50	4,433.31	16,032.56	68,201.15	442.30	374.40	467.23	91,032.45
	Additions	-	-	-	0.21	3.88	9.29	2.42	15.80
	Disposals	-	-	-	-	-	-	-	-
	Other Adjustments								
	- Exchange translation adjustment	-	(8.90)	(1.07)	(7.76)	-	(3.36)	(1.27)	(22.36)
	- Borrowing Costs	-	-	-	-	-	-	-	-
	As at 31st March, 2018	1,081.50	4,424.41	16,031.49	68,193.60	446.18	380.33	468.38	91,025.89
	Additions	-	-	-	-	-	-	7.17	7.17
	Disposals	-	-	17.26	-	-	43.11	-	60.37
	Other Adjustments								
	- Exchange translation adjustment	-	7.12	1.12	7.98	0.00	4.36	1.20	21.78
	- Borrowing Costs	-	-	-	-	-	-	-	-
	As at 31st March, 2019	1,081.50	4,431.53	16,015.35	68,201.58	446.18	341.58	476.75	90,994.47
	Depreciation & Amortisation								
	As at 1st April, 2017	-	45.76	3,439.74	16,943.37	285.09	261.22	422.34	21,397.52
	For the year (Note-a)	-	57.46	497.61	2,793.01	47.01	40.27	7.96	3,443.32
	Deductions	-	-	-	-	-	-	-	-
	Exchange translation adjustment	-	-	(0.29)	(6.11)	-	(2.83)	(1.27)	(10.50)
	As at 31st March, 2018	-	103.22	3,937.06	19,730.27	332.10	298.66	429.03	24,830.34
	For the year (Note-a)	-	51.61	497.65	2,754.92	36.70	24.75	5.04	3,370.67
	Deductions	-	-	3.87	-	-	20.22	-	24.09
	Exchange translation adjustment	-	(0.00)	2.32	63.07	(9.19)	(1.76)	10.64	65.08
	As at 31st March, 2019	-	154.83	4,433.16	22,548.26	359.61	301.43	444.71	28,242.00
	Carrying amounts (net)								
	As at 31st March, 2018	1,081.50	4,321.19	12,094.43	48,463.33	114.08	81.67	35.45	66,195.55
	As at 31st March, 2019	1,081.50	4,276.70	11,582.19	45,653.32	86.57	40.15	32.04	62,752.47

NOTE :

- Includes ₹ 14.03 Lacs (PV: ₹ 14.13 Lacs) debited to Capital Work-in-Progress.
- For details of Property, Plant & Equipment pledged as security against the secured borrowings refer note 17.2 (c)
- The management has evaluated and is of opinion that there are no major components of the fixed assets for adopting components based accounting as per IND-AS-16.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
5	CAPITAL WORK-IN-PROGRESS		
	At the beginning of the year	44,795.79	44,728.15
	Add: Incurred during the year	14.03	67.64
	Less: Capitalised during the year	-	-
	At the end of the year	44,809.82	44,795.79

Capital work-in-progress includes Pre Operative Expenses as below relating to project under implementation, pending allocation to Fixed Assets:

	Opening Balance	15,473.35	15,435.35
	Add: Expenditure incurred during the period		
	Salaries	-	0.12
	Telephone Expenses	-	0.01
	Travelling & Conveyance	-	0.01
	Repairs & Maintenance	-	1.88
	Labour charges	-	(0.15)
	Security Service Charges	-	21.53
	General Expenses	-	0.47
	Depreciation	14.03	14.13
	Total	15,487.38	15,473.35
	Amount allocated to Fixed Assets	-	-
	Closing Balance	15,487.38	15,473.35

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
6	OTHER INTANGIBLE ASSETS UNDER DEVELOPMENT		
	Intangible Assets under development represents expenses incurred for development of mines under the following heads:		
	Opening Balance	3,944.06	4,053.82
	Add: On Acquisition	-	-
	Less: Exchange translation adjustments	(58.69)	109.76
	Closing Balance	4,002.75	3,944.06

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
7	LOANS		
	(Unsecured, Considered good)		
	Non-Current		
	Security Deposits		
	- Related Parties	-	-
	- PARTIES OTHER THAN RELATED PARTIES	3,148.57	3,087.37
	Total Loans	3,148.57	3,087.37

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
8	OTHER NON-CURRENT ASSETS		
	(Unsecured, Considered good)		
	Capital Advances (Refer Note No. 32 (ii) of standalone)		
	- Related Parties	-	-
	- Parties other than Related Parties	415.37	773.77
	Total	415.37	773.77

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
9	INVENTORIES		
	(As taken, valued and certified by the management)		
	Raw Materials	3,521.33	8,389.30
	Work In Process	3,248.13	3,176.75
	Finished Goods (Including In-Transit)	2,544.70	1,295.86
	Stores & Spares	958.39	432.66
	Packing Materials	15.88	16.78
	Intermediates	176.37	78.25
	Total	10,464.80	13,389.60

Notes:

- The amount written down for raw materials in Haldia as an expense (included in cost of raw materials consumed) during the year is ₹ NIL (P.Y. ₹ 6,323.03 Lacs) on prudent basis as the plant was shut down since July'15.
- Finished goods includes in transit ₹ 785.60 (P.Y.:Nil)
- For details of inventory pledged as security against secured borrowings refer note 17.2 (c) & 19 (b)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
10	TRADE RECEIVABLES		
	Unsecured		
	- Considered good	41,904.83	51,330.62
	- Considered doubtful	6,874.65	4,104.28
		48,779.48	55,434.90
	Less: Allowances for expected credit losses	(6,874.65)	(4,104.28)
		41,904.83	51,330.62
	Age analysis of trade receivables		
	Debtors outstanding for a period exceeding Six months from the date they were due for payment.	40,983.74	45,963.69
	Other receivables	921.09	5,366.93
	Total	41,904.83	51,330.62

Notes:

- Trade Receivables include ₹ 873.40 Lacs (P.Y.: ₹ 853.51 Lacs) due from Related Party.
- For details of book debts pledged as security against secured borrowings refer note 17(c)
- The Company's exposure to credit risk and loss allowance to trade receivable is disclosed in note no. 48.3 of standalone

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
11	CASH AND CASH EQUIVALENTS		
	Cash In Hand (as certified by the management)	6.94	9.78
	Balances With Banks		
	- In Current Accounts	116.03	1,022.28
	Term deposits with original maturity of less than 3 months*	-	-
	Total	122.97	1,032.06

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
12	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	(A) Term Deposits with Banks *		
	with maturity more than 3 months but less than 12 months	14.53	10.63
	with maturity more than 12 months	28.61	3.90
	(B) Earmarked Balances with Banks	1.71	2.65
	Total	44.85	17.18

* Held as Margin against Bank guarantee and letter of credit.

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
13	OTHER CURRENT FINANCIAL ASSETS		
	(Unsecured, Considered Good, unless otherwise stated)		
	Accrued Interest on Deposits	4.08	2.28
	Insurance Claim Receivable	1,902.12	1,902.12
	Export Incentive Receivable:		
	Considered Good	4.81	43.78
	Considered doubtful	171.29	188.99
	Less: Allowance for doubtful receivables	(171.29)	(188.99)
	Subsidy/Power Incentive Receivable	4,126.01	4,126.01
	SBI Mutual Fund Receivable	-	305.17
	Total	6,037.02	6,379.36

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
14	OTHER CURRENT ASSETS		
	(Unsecured, Considered Good)		
	Advances recoverable in kind or for value to be received		
	To Related Parties	70.00	70.00
	To Others	7,459.64	8,832.08
	Balance with Statutory/Government Authority	1,868.58	2,252.56
	Prepaid Expenses	19.94	15.44
	Total	9,418.16	11,170.08

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
15	EQUITY SHARE CAPITAL		
	Authorised		
	1850.00 lacs (P.Y.: 1850.00 lacs) Equity Shares of ₹ 10/- each	18,500.00	18,500.00
	Issued, Subscribed and Paid-up		
	1137.76 lacs (P.Y.: 1137.76 lacs) Equity Shares of ₹ 10/- each fully paid up	11,377.61	11,377.61

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	31-03-2019		31-03-2018	
	Nos. (in Lacs)	(₹ in Lacs)	Nos. (in Lacs)	(₹ in Lacs)
Equity Shares				
At the beginning of the Period	1,137.76	11,377.61	1,137.76	11,377.61
Issued during the Period	-	-	-	-
At the end of the Period	1,137.76	11,377.61	1,137.76	11,377.61

b) Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of Equity Shares held by the share holders.

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

PARTICULARS	31-03-2019		31-03-2018	
	No. of Shares (in lacs)	% holding	No. of Shares (in lacs)	% holding
Equity shares of ₹ 10 each fully paid				
Suanvi Trading and Investment Co. Pvt. Ltd.	112.38	9.88	112.38	9.88
Vasupujya Enterprises Pvt. Ltd	113.60	9.98	113.60	9.98
Invesco Finance Pvt Ltd	110.39	9.70	110.39	9.70
Poddar Mech Tech Services (P) Ltd.	129.80	11.41	129.80	11.41
Shreyansh Leafin Pvt. Ltd.	109.93	9.66	109.93	9.66
Whitestone Suppliers Pvt. Ltd	109.08	9.59	109.08	9.59

(₹ in Lacs)

NOTES	COMPONENTS	Note No.	1st April 2018	Movement during the year	31st March 2019	1st April 2017	Movement during the year	31st March 2018
16	OTHER EQUITY							
	Capital Reserve	a	128.14	-	128.14	128.14	-	128.14
	Securities Premium	b	42,403.10	-	42,403.10	42,403.10	-	42,403.10
	General Reserve	c	450.00	-	450.00	450.00	-	450.00
	Retained Earnings	d	(1,63,056.25)	(19,225.01)	(1,82,281.26)	(1,17,309.28)	(45,746.97)	(1,63,056.25)
	Other Comprehensive Income	e	3,887.03	(2,861.00)	1,026.03	4,099.32	(212.29)	3,887.03
			(1,16,187.98)	(22,086.01)	(1,38,273.99)	(70,229.11)	(45,959.26)	(1,16,187.98)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- (a) Capital reserve: Capital reserves consists of Deposits forfeited against share warrants
- (b) Securities Premium: Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (c) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (d) Retained earnings: It comprise of accumulated profit/ (loss) of the Company. The movement is on account of following : ₹ (Rs 19,225.00) lacs {P.Y.: ₹ (45,746.97 lacs)} was on account of profit/ (loss) incurred by the Company.

NOTE - 17 BORROWINGS

(₹ in Lacs)

NOTES	PARTICULARS	Non-Current		Current	
		31-03-2019	31-03-2018	31-03-2019	31-03-2018
17.1	NON - CURRENT BORROWINGS				
	Term Loans from Banks (Secured)				
	Rupee Term Loans	37,966.02	42,852.65	20,967.94	16,081.30
	Working Capital Term Loan (WCTL)	38,111.59	41,148.56	12,147.84	9,110.88
	Funded Interest Term Loan (FITL)	73.27	5,688.98	28,291.11	22,675.40
	Foreign Currency Loan	-	-	1,732.03	1,626.10
		76,150.88	89,690.19	63,138.92	49,493.68
	Loans from Related Parties (Unsecured)				
	from Body Corporates	7,280.00	7,280.00	-	-
		7,280.00	7,280.00	-	-
	Other Loans and Advances				
	Loans from Body Corporates (Unsecured)	2,914.85	146.56	-	-
		2,914.85	146.56	-	-
		86,345.73	97,116.75	63,138.92	49,493.68
	The above amount includes				
	Secured Borrowings	76,150.88	89,690.19	63,138.92	49,493.68
	Unsecured Borrowings	10,194.85	7,426.56	-	-
	Amount disclosed under the head - "Other Current Financial Liabilities" (Refer Note 20)			(63,138.92)	(49,493.68)
	Total	86,345.73	97,116.75	-	-

(₹ in Lacs)

		As at 31-03-2019	As at 31-03-2018
17.2	CURRENT BORROWINGS		
	Working Capital Loans from Banks (Secured)		
	-Rupee Loans	1,12,094.14	1,13,435.77
	-Foreign Currency Loans-Bank Overdraft	2,466.23	2,315.39
	Other Loans and Advances		
	SBI Global Factors Limited under factoring facility secured against specific debts	636.28	636.28
	Total	1,15,196.65	1,16,387.44

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE - 17 BORROWINGS (Contd.)

(A) Working Capital Term Loan :

Upon implementation of the CDR Package (Refer Note 30), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

(B) Funded Interest Term Loan :

Upon implementation of the CDR Package (Refer Note 30), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e. from October 01, 2013 to September 30, 2015;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e. from October 01, 2013 to September 30, 2015;
- Interest on residual cash credit limit for a period of 9 months from the Cut-Off Date i.e. from October 01, 2013 to June 30, 2014;

(C) Details of security :

(i) In terms of the CDR package, Rupee Term Loans , Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan are pooled together and secured as under:

- a) First pari-passu charge on the entire Fixed Assets of the Company (excluding value of vehicles), both present and future, including equitable mortgage of factory land & building at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal). Also, secured by way of mortgage on Freehold land at New Town, District: North 24 Parganas measuring 50 Cottahs.
- b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal) and at other Units.
- c) Collateral security by equitable mortgage on Land & Building at 1/26, Vidyadhar Nagar, Jaipur, Rajasthan held in the name of Shubham Complex Pvt. Ltd., Office space measuring 835 sq. ft. located at Flat no. 21B, 4th Floor, Bowbazar, 35, C.R. Avenue, Kolkata-12, held in the name of Mr. S.K.Patni and Flat No. A-52, Block-A, 35, Dr. Abani Dutta Road, Salkia, Howrah, held in the name of Mr. Rohit Patni.
- d) Pledge of 100% of the promoter's shares representing 72% of the paid up Capital of the company on pari passu basis.
- e) Personal Guarantee of the Promoters - Mr. S.K.Patni, Mr. Rohit Patni and Mr. Ankit Patni.
- f) Corporate Guarantee of the Group Companies - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd.

(ii) Loans against Vehicles & Equipments are secured by way of hypothecation of the underlying asset financed.

(D) Terms of Repayment of Loans :

(i) Terms of Repayment of Rupee Term Loans availed for Haldia Project, 33 MVA Furnace and Stainless Steel Plant of the Company and Working Capital Term Loan :

Upon implementation of the CDR Package, the existing Rupee Term Loan amounting to ` 33,234.93 lacs in respect of Haldia Project, 33 MVA Furnace and Stainless Steel Project and Working Capital Term Loan are to be repaid over a period of 8 years by way of 32 structured quarterly installments commencing from December 31, 2015 up to September 30, 2023 as per the Repayment Schedule given below. Further, such loans carry the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

As on 31.03.2019

Financial Year	Quarters	Repayment per Quarter	Total
2015-2016	2	1.00%	2.00%
2016-2017	4	1.00%	4.00%
2017-2018	4	1.50%	6.00%
2018-2019	4	1.50%	6.00%
2019-2020	4	1.50%	6.00%
2020-2021	4	4.00%	16.00%
2021-2022	4	4.50%	18.00%
2022-2023	4	6.00%	24.00%
2023-2024	2	9.00%	18.00%
Total	32		100.00%

(ii) **Terms of Repayment of Term Loan availed for 67.5 MVA Captive Power Plant project of the Company :**

Upon implementation of the CDR Package, the Rupee Term Loan amounting to ₹ 25,699.04 lacs in respect of 67.5 MVA Captive Power Plant is to be repaid by way of 38 equal quarterly installments commencing from December 31, 2015 up to March 31, 2025. Further, the loan carries the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iii) **Terms of Repayment of Funded Interest Term Loan :**

Repayment of FITL is to be made in 18 equal quarterly installments commencing from December 31, 2015 with the last installment due on March 31, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

Repayment of FITL is to be made in 18 equal quarterly installments commencing from December 31, 2015 with the last installment due on March 31, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iv) **Terms of Repayment of Working Capital Loan :**

The rate of interest on the working capital loans from banks is 10.3% linked to the base rate of State Bank of India.

(v) **Period and Amount of Default as on the Balance Sheet date :**

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
ALLAHABAD BANK	2,246.00	486.88	Quarter ending 31st Dec, 2015 to 31st March 2019
CANARA BANK	412.74	1,134.69	
EXIM BANK	1,602.00	3,806.66	
STATE BANK OF INDIA	9,827.84	228.91	
UNITED BANK OF INDIA	1,992.72	(719.80)	
TOTAL	16,081.30	4,937.34	
WORKING CAPITAL TERM LOAN			

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
ALLAHABAD BANK	264.24	106.00	Quarter ending 31st Dec, 2015 to 31st March 2019
ANDHRA BANK	214.38	546.57	
BANK OF BARODA	801.00	-	
CENTAL BANK OF INDIA	41.58	(0.00)	
PUNJAB NATIONAL BANK	772.56	-	
STATE BANK OF INDIA	4,350.78	(48.82)	
UNITED BANK OF INDIA	2,141.64	-	
UCO BANK	524.70	305.79	
TOTAL	9,110.88	909.54	
FUNDED INTEREST TERM LOAN			
ALLAHABAD BANK	1,695.39	(47.29)	Quarter ending 31st Dec, 2015 to 31st March 2019
ANDHRA BANK	314.86	215.43	
BANK OF BARODA	979.90	-	
CANARA BANK	391.96	251.98	
CENTRAL BANK OF INDIA	220.09	(53.39)	
EXIM BANK	1,511.07	694.53	
PUNJAB NATIONAL BANK	1,103.28	1.00	
STATE BANK OF INDIA	11,578.40	148.96	
UNITED BANK OF INDIA	4,118.70	-	
UCO BANK	577.05	105.16	
TOTAL	22,490.70	1,316.38	
FOREIGN CURRENCY LOAN:			
INDIAN OVERSEAS BANK (TL)	1,626.10	236.75	Quarter ending 31st Dec, 2015 to 31st March 2019
INDIAN OVERSEAS BANK (WC)	2,315.39	337.11	
TOTAL	3,941.49	573.86	
WORKING CAPITAL LOAN			
ALLAHABAD BANK (CC)		771.31	Quarter ending 31st Dec, 2015 to 31st March 2019
ANDHRA BANK (CC)		1,172.70	
BANK OF BARODA (CC)		364.88	
CENTRAL BANK OF INDIA (CC)		(0.55)	
PUNJAB NATIONAL BANK (CC)		171.44	
PUNJAB NATIONAL BANK (OD)		-	
STATE BANK OF INDIA (CC)		1,395.77	
UNITED BANK OF INDIA (CC)		(6.25)	
UCO BANK (CC)		345.51	
UCO BANK (OD)		-	
TOTAL		4,214.81	
GRAND TOTAL		11,951.93	

The above disclosure is as per provision made in books. The unprovided liability in respect of interest on non-current and current borrowings amounting to Rs. 87,119 Lacs as per notes no. 41 also continued to be in default.

- (vi) Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 6,656 lacs from promoters & promoter group companies as promoter's contribution, to be converted into equity. Subsequently, with the invocation of SDR, the said amount of ₹ 6,656 lacs was allowed to be converted into equity at par. The company has since applied for in-principal approval from Stock Exchanges and the same is awaited.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE - 17 BORROWINGS (Contd.)

- (vii) Unsecured Loan from Body Corporates (Other than related parties) aggregating to ₹ 146.56 Lacs (P.Y.: ₹ 146.56 Lacs) are interest free. Such loans are repayable at the option of the Company and are stated by the management to be in the nature of Long term borrowings.

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
18	DEFERRED TAX LIABILITIES (NET)		
	Deferred tax liabilities	18,323.73	15,100.25
	Deferred tax assets	(1,03,966.24)	(77,633.06)
	Net Deferred Tax Liability / (Asset)	(85,642.51)	(62,532.81)
	2018-19	Opening	Changes
	Deferred tax liabilities/(assets) in relation to:	balance	during the year
			Closing
			Balance
	Provision for doubtful debts and advances/other write offs	4,293.27	2,770.37
	Property, plant & equipment (PPE)	10,806.98	453.11
	Unabsorbed Depreciation	(12,968.82)	(3,796.50)
	Unabsorbed business Loss	(64,664.24)	(22,536.68)
	Total	(62,532.81)	(23,109.70)
	2017-18	Opening	Changes
	Deferred tax liabilities/(assets) in relation to:	balance	during the year
			Closing
			Balance
	Provision for doubtful debts and advances/other write offs	2,846.94	1,446.33
	Property, plant & equipment (PPE)	9,764.71	1,042.28
	Unabsorbed Depreciation	(8,552.47)	(4,416.35)
	Unabsorbed business Loss	(36,714.43)	(27,949.81)
	Total	(32,655.25)	(29,877.56)

Net Deferred Tax Asset has not been recognised as a matter of Prudence, in accordance with the Ind AS-12 (Income Taxes) issued by The Institute of Chartered Accountants of India.

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
19	TRADE PAYABLES		
	Due to Micro, Small & Medium Enterprises [Refer Note (a) below]	-	-
	Due to others	22,263.20	22,491.71
	Total	22,263.20	22,491.71

- There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- Trade Payables include ₹ 2,755.96 Lacs (P.Y.: ₹ 5,731.33 Lacs) against pledge of stock of raw materials.
- Trade Payables include ₹ NIL lacs (P.Y.: ₹ 2.23 lacs) due to related parties. (Refer Note No. 38 of standalone)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
20	OTHER CURRENT FINANCIAL LIABILITIES		
	Current maturities of long-term debt (Refer Note 17.1)	63,138.92	49,493.68
	Interest Accrued and due on Borrowings	11,135.97	8,830.45
	Unclaimed Dividend *	1.71	2.65
	Other Payables		
	For Capital Goods	1,475.01	1,850.65
	For Accrued Expenses & Others	2,938.12	2,182.37
	Total	78,689.73	62,359.80

* An amount of ₹ 1.46 lacs (P.Y.: 1.61 lacs) has been transferred during the year to Investor Education & Protection Fund.

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
21	CURRENT TAX LIABILITIES (NET)		
	Tax Liabilities:		
	Provision For Taxation	922.78	871.17
	Tax Assets:		
	-Income Tax Payments (Including TDS)	(474.45)	(458.58)
	-Income Tax Refundable	(23.10)	(23.10)
	Total	425.23	389.49

NOTES	PARTICULARS	As at 31-03-2019	As at 31-03-2018
22	OTHER LIABILITIES		
	Non Current		
	Deferred Government Grant	89.70	97.86
		89.70	97.86
	Current		
	Advance from Parties	3,657.66	6,387.67
	Deferred Government Grant	8.15	8.15
	Liabilities against statutory dues	4,250.16	2,158.99
		7,915.97	8,554.81
	Total Other Liabilities	8,005.67	8,652.67

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
23	REVENUE FROM OPERATIONS		
	Sale of Products		
	Sale of Manufactured Goods		
	Export Sales	-	-
	Domestic Sales	82,593.80	71,441.00
	Sale of Raw Materials	6,689.19	1,576.97
	Sale of Traded Goods		
	Export Sales	-	-
	Domestic Sales	-	-
		89,282.99	73,017.97
	Other Operating Revenues		
	Export Incentives	-	120.78
	Total	89,282.99	73,138.75

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
24	OTHER INCOME		
	Interest Income		
	- On Fixed Deposits	1.99	9.64
	- Other Deposits	156.38	136.86
	Sundry Balances Written Back	-	171.09
	Lease Rent Received	0.30	5.76
	Miscellaneous Income	28.55	21.55
	Insurance Claim Received	150.00	0.02
	Amortisation of Deferred Government Grant	8.15	8.18
	Total	345.37	353.10

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
25	COST OF MATERIALS CONSUMED		
	(including cost of Raw Materials sold)		
	Opening Stock of Raw Materials (including intermediates)	8,467.55	31,795.54
	Purchases during the year (including freight)	61,468.25	43,555.93
		69,935.80	75,351.47
	Less: Closing Stock of Raw Materials	3,521.33	8,389.30
	Cost of Raw Materials consumed	66,414.47	66,962.17
	Less: Closing Stock of Intermediates	176.37	78.25
	Cost of Materials consumed	66,238.10	66,883.92

Note:

Raw Material consumed includes ₹ NIL (PY. ₹ 6,323.03 Lacs) on account of amount write down of raw material in Haldia plant on prudent basis as the Haldia plant was shut down since July, 15.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
26	CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
	Opening Stock		
	Finished Goods		
	Ferro Alloys	425.25	903.96
	Coal	322.35	322.35
	Iron & Steel Products	567.96	801.94
	Work-In-Progress		
	Ferro Alloys	1,686.46	2,607.62
	Coal in Process	1,058.92	1,058.92
	Iron & Steel Products	496.04	293.89
		4,556.98	5,988.68
	Closing Stock		
	Finished Goods		
	Ferro Alloys	348.87	425.25
	Coal	311.42	322.35
	Iron & Steel Products	1,884.41	567.96
	Work-In-Progress		
	Ferro Alloys	1,612.65	1,686.46
	Coal in Process	1,023.00	1,058.92
	Iron & Steel Products	612.47	496.04
		5,792.82	4,556.98
		(1,235.84)	1,431.70
NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
27	EMPLOYEE BENEFITS EXPENSE		
	Salaries, Wages, Bonus & Allowances	1,642.68	1,332.30
	Contribution to Provident & Other Funds	87.42	84.23
	Gratuity [Refer Note 36 of standalone]	32.07	34.65
	Directors' Remuneration	51.74	49.68
	Welfare Expenses	21.78	19.05
		1,835.69	1,519.91

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
28	FINANCE COSTS		
	Interest Expense		
	- To Banks (Refer Note 41)	4,442.95	4,261.25
	- To Others	558.10	721.26
	Other Borrowing Costs	9.41	341.33
		5,010.46	5,323.84

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
29	OTHER EXPENSES		
	Labour Charges	1,805.04	1,754.54
	Power & Fuel	18,950.36	16,375.12
	Water Supply Charges	101.68	115.14
	Stores, Spares and Consumables	5,624.10	4,026.92
	Packing Materials	0.90	12.34
	Material Handling Expenses	519.33	441.24
	Repairs		
	- To Factory Shed & Building	27.94	21.68
	- To Plant & Machinery	116.84	88.86
	Rent	28.07	22.68
	Rates & Taxes	33.59	13.04
	Electricity Expenses	15.62	17.07
	Insurance	75.24	72.56
	Printing and Stationery	7.33	8.76
	Postage and Courier	4.88	6.34
	Telephone Charges	18.58	27.67
	Travelling & Conveyance	73.88	86.33
	Car Running and Maintenance	54.06	53.90
	Other Repairs and Maintenance	48.20	62.82
	Security Service Charges	225.79	183.32
	Membership and Subscription	5.82	6.48
	Internal Audit Fees	2.00	2.00
	Legal and Professional Charges	279.69	160.11
	Auditors' Remuneration [Refer Note Below]	14.34	16.68
	Directors' Sitting Fees	1.08	1.18
	Miscellaneous Expenses	62.95	71.53
	Short Realisation/ Loss on sale of DEPB	0.51	6.71
	Testing & Inspection Charges	22.71	17.91
	Donations	2.22	3.11
	Advertisement & Sales Promotion	47.54	44.88
	Freight & Forwarding on Export	0.56	122.99
	Transportation & Delivery Charges	1,826.65	1,619.80
	Commission on Sales	2.12	44.13
	Corporate Social Responsibility	1.31	5.60

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
	Sundry Balances Written Off	115.31	55.25
	Allowances for expected credit losses	2,770.37	3,233.06
	Allowances for doubtful export incentives	(17.70)	-
	Impairment Loss	-	3,941.31
	Deferred Expenditure Wrritten off	-	2,481.91
	Provision for Expenses	846.68	9.76
	Foreign Exchange Fluctuation Loss	381.74	144.57
		34,097.33	35,379.27

NOTE - 29 OTHER EXPENSES (Contd.)

(₹ in Lacs)

	<u>Auditors' Remuneration:</u>	Year Ended 31-03-2019	Year Ended 31-03-2018
	i) As Statutory Auditor [includes tax audit fees of ₹2.00 Lacs (P.Y. ₹2.00 Lacs)]	11.34	11.31
	ii) For Taxation matters	-	0.10
	iii) For Other services	5.00	5.27
	Total	16.34	16.68

30 CORPORATE DEBT RESTRUCTURING

During the year 2013-14, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) was referred to CDR Empowered Group (CDR EG) by the consortium of lenders led by State Bank of India (SBI). The CDR Proposal as recommended by SBI was approved by CDR EG on March 24, 2014 and communicated vide Letter of Approval dated 28th March, 2014, as amended / modified from time to time. Under CDR package, the Company's debts were re-structured / rescheduled and additional credit facilities have been sanctioned as set out in the said Letter of Approval. The cut off date for CDR package was September 30, 2013 and upon implementation, the financial effect thereof has been duly taken into accounts.

The CDR Package includes reliefs / measures such as reduction in interest rates, funding of interest, rearrangement of securities etc. The key features of the CDR Proposal are as follows:

- (i) Repayment of Rupee Term Loans (RTL) (except term loan for Captive Power Plant of the Company) after moratorium of 2 years from the cut-off date in 32 structured quarterly installments commencing from December 31, 2015 to September 30, 2023.
- (ii) Repayment of Rupee Term Loans for Captive Power Plant of the Company after moratorium of 2 years from the cut-off date in 38 structured quarterly installments commencing from December 31, 2015 to March 31, 2025.
- (iii) Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of WCTL after moratorium period of 2 years from cut-off date in 32 structured quarterly installments commencing from December 31, 2015 to September 30, 2023.
- (iv) Restructuring of existing fund based and non fund based financial facilities.
- (v) Interest on RTL and WCTL during the moratorium period of 2 years from cut-off date and interest on Cash Credit limit for a period of 9 months from the cut-off date shall be converted to FITL. Repayment of FITL would be done in 18 equal quarterly installments commencing from December 31, 2015 to March 31, 2020.
- (vi) The rate of interest on RTL, WCTL, FITL and Fund Based Working Capital Facilities shall be 11% (linked to the base rate of SBI) with the right to reset the rate of the Term loan(s) and FITL every year with the approval of CDR-EG.
- (vii) Waiver of penal interest for irregularities in the Cash Credit accounts for the period from cut-off date to the date of implementation of the package.
- (viii) Contribution of ₹5,664 lacs in the Company by the promoters in lieu of bank sacrifices and ₹8,577 lacs to meet the additional cost over run towards the Captive Power plant project of the Company. The contribution is to be brought initially in the form of unsecured loan by September 30, 2014 and the same is to be converted into equity by June 30, 2015.
- (ix) The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/ to be made by CDR Lenders as per the CDR package is approximately ₹69,987 lacs.

(₹ in Lacs)

NOTES	PARTICULARS	Year Ended 31-03-2019	Year Ended 31-03-2018
31	EARNINGS PER SHARE		
	Weighted average number of Equity Shares outstanding during the year	1,137.76	1,137.76
	Number of Shares considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share (Refer Note (a) below)	1,137.76	1,137.76
	Profit after Tax attributable to Equity Shareholders (₹ in Lacs)	(19,225.01)	(45,746.97)
	Nominal Value of Ordinary Shares (₹)	10	10
	Earnings Per Share (Basic) (₹)	(16.90)	(40.21)
	Earnings Per Share (Diluted) (₹)	(16.90)	(40.21)

Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 7,131 Lacs from promoters & promoter companies as promoter's contribution, to be converted into equity by June 30, 2015, at such price as will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations. Pending approval & determination of price by SEBI, the same has not been considered in the calculation of EPS.

- 32** Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.
- 33** The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements to which these consolidated financial statements are attached. Accounting policies specifically related to consolidated financial statements are mentioned in note 1. Differences in accounting policies followed by the other entities consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not significant.
- 34** Consolidated contingent liability is same as contingent liability of standalone Rohit Ferro Tech Ltd.
- 35** Consolidated capital commitments are same as capital commitments of standalone Rohit Ferro Tech Ltd.
- 36** Consolidated related party transactions are same as related party transactions of standalone Rohit Ferro Tech Ltd.

37 OPERATING SEGMENTS

A. Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's strategic business units. These business units are managed separately because they require different technology and marketing strategies. For these business units, the Company's management reviews internal reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segment	Operations
Ferro Alloys and Minerals	Manufacturing
Iron and Steel	Manufacturing

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

37 OPERATING SEGMENTS (Contd.)

(₹ in Lacs)

	Year Ended 31-03-2019	Year Ended 31-03-2018
Segment Revenue		
Ferro Alloys and Minerals	57,769.01	47,117.76
Iron and Steel	39,818.16	33,846.23
Inter Segment Revenue	(8,304.18)	(7,825.24)
Total	89,282.99	73,138.75

(₹ in Lacs)

	Year Ended 31-03-2019	Year Ended 31-03-2018
Segment Results (Profit before Finance Cost & Tax)		
Ferro Alloys and Minerals	(9,293.67)	(34,781.54)
Iron and Steel	(5,370.74)	(5,878.53)
Unallocated	0.84	210.99
Total	(14,663.57)	(40,449.08)
Finance Cost	5,010.46	5,323.84
Exceptional Items	-	-
Profit before tax	(19,674.03)	(45,772.91)
Less: Income Tax	-	-
Profit after tax	(19,674.03)	(45,772.91)

Other information

	Year Ended	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Exps (other than Depreciation)
Ferro Alloys and Minerals	31-03-2019	88,321.88	24,082.37	14.03	2,937.98	-
	31-03-2018	1,64,384.68	43,046.96	15.80	3,009.75	-
Iron and Steel	31-03-2019	94,302.18	12,298.09	-	418.67	-
	31-03-2018	37,249.08	(7,712.41)	-	419.41	-
Unallocated	31-03-2019	497.55	922.78	-	-	-
	31-03-2018	481.68	871.17	-	-	-
Total (31-03-2019)		1,83,121.61	37,303.24	14.03	3,356.65	-
Total (31-03-2018)		2,02,115.44	36,205.72	15.80	3,429.16	-

Secondary segment information (geographical segment)

Segment	Period		External revenue by location of customers	Carrying amount of segment assets by location of assets	Cost incurred on acquisition of tangible and intangible fixed assets
	Year ended				
Within India	Year ended	31-03-2019	89,282.99	1,76,753.05	14.03
	Year ended	31-03-2018	69,179.50	1,95,885.81	15.80
Outside India	Year ended	31-03-2019	-	6,368.56	-
	Year ended	31-03-2018	3,959.25	6,229.63	-
Total	Year ended	31-03-2019	89,282.99	1,83,121.61	14.03
	Year ended	31-03-2018	73,138.75	2,02,115.44	15.80

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- 38 The lenders had communicated to go for change in management by indentifying an investor who will acquire the shares held by the promoters in RFTL. A Deed of Undertaking had been executed by RFTL and its promoters in this regard. On Execution of the Deed of Undertaking, the Lenders had invited bids from prospective investors by way of sale of equity stake held by the promoters of the Company and the same was in process. The matter has since been dismissed off by the Honourable High Court in view of the revocation of the letter of intent for change in management by the Bank.
- 39 The Company's Factory at Haldia (West Bengal) is suspended since 01st July, 2015 on account of depressed domestic and global market conditions in steel industry and excess procurement cost of Electricity. Robbery/Damages to certain properties had occurred in the year 2016-17 and the Company had filed insurance claim of ₹ 2,603 Lacs which is under process and additionally the Company has also filed an application in the consumer forum for expediting the insurance claim process. Pending claim settlement, the financial impact of such insurance claim (Buglary/Robbery) on the reported financial year remains unascertained and unquantified.
- 40 The operation of the Company was severely impacted by weak steel industry scenario and lack of demand for Company's finished products. The Company has incurred loss of ₹ 22,086 Lacs for the year ended 31st March 2019 and accumulated loss as on 31st March, 2019 is ₹ 1,81,255 Lacs which is in excess of the entire net worth of the Company. The Company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the initiative of the Company and given the emerging scenario of steel industry in India, the management is of the view of foreseeable future about the operations of the Company and accordingly the financial statements have been prepared under 'Going Concern' basis.
- 41 The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. Pending finalization of the restructuring plan, the company has not provided accrued interest in its books as the account has been declared NPA by the respective lenders. The amount of interest not so provided for the year ended 31st March 2019 stands at ₹ 25,670 Lacs. Penal interest and charges thereof (amount remaining unascertained) has not been provided for. The unprovided liability in respect of interest on long term and short term borrowings as on 31st March 2019 amounted to ₹ 87,119 Lacs. The same have consequential impact on the reported figures.
- 42 In the opinion of the management current and non current assets have a value of realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Certain balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmations and reconciliation. The reported financials might have consequential impact once the reconciliation is completed, the quantum where of remains unascertained. Advance from Parties includes ₹ 80.35 lacs (P.Y.: ₹ 198.62 lacs) being certain receipts lying under suspense account in absence of information as to the credits in the bank account.
- 43 The investments and advances of SKP Overseas PTE Limited (Singapore), a wholly owned subsidiary of the company, in the step down subsidiary namely PT Bara Prima Mandiri (Indonesia) was written off in the last available audited financial statements. Accordingly, the company had diminished the value of its investments, receivables, loans & advances etc. in the wholly owned subsidiary totalling to ₹ 9,309 Lacs. Appropriateness of the going concern assumption on which the financial statements of the SKP Overseas Pte Ltd. are prepared is dependent on the continued financial support from its director and the operations of Indonesia coal mine being restarted. Accordingly the financial statement of SKP Overseas Pte Ltd. has been prepared on 'Going Concern' basis.
- 44 The total comprehensive income has been attributed to the owner of the parent and to the non-controlling interest even if this results in the non-controlling interest having deficit balance. Hence, the non-controlling interest are restated and reclassified as per the requirements of Ind-AS.
- 45 The Consolidated Financial Statement includes the financial statements of the Parent Company, its wholly-owned subsidiary, SKP Overseas Pte. Ltd., incorporated in Singapore and its step down subsidiary, PT. Bara Prima Mandiri., incorporated in Indonesia. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lacs)

Name of the Entity	As at 31st March, 2019		As at 31st March, 2018	
	Net Assets (Total Assets- Total Liabilities)		Net Assets (Total Assets- Total Liabilities)	
	As % of Consolidated Net Assets	Amount (Rs)	As % of Consolidated Net Assets	Amount (Rs)
Parent Company				
Rohit Ferro Tech Limited	94.93%	(1,21,326.49)	96.11%	(1,01,191.80)
Subsidiaries				
Foreign				
SKP Overseas PTE Ltd	3.27%	(4,175.53)	2.77%	(2,912.69)
PT Bara Prima Mandiri	1.09%	(1,394.36)	0.67%	(705.89)
Minority Interest in all Subsidiaries	0.71%	(908.22)	0.45%	(471.95)
Total	100%	(1,27,804.60)	100%	(1,05,282.32)

Name of the Entity	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
	Share in Profit or loss		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount (Rs)	As % of Consolidated Net Assets	Amount (Rs)
Parent Company				
Rohit Ferro Tech Limited	90.52%	(20,386.13)	81.69%	(37,393.15)
Subsidiaries				
Foreign				
SKP Overseas PTE Ltd	4.63%	(1,045.47)	18.17%	(8,314.91)
PT Bara Prima Mandiri	2.91%	(654.41)	0.09%	(38.91)
Minority Interest in all Subsidiaries	1.94%	(436.27)	0.06%	(25.94)
Total	100%	(22,522.28)	100%	(45,772.91)

- 46 Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding years are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

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**

(₹ in Crores)

Sl.No.	Name of the Subsidiary	SKP Overseas PTE Ltd.	PT. Bara Prima Mandiri (Subsidiary of SKP Overseas PTE Ltd.)
1	The date since when the subsidiary was acquired	9th April, 2008	8th January, 2013
2	Reporting Period	2018-19	2018-19
3	Reporting Currency	INR (Converted)	INR (Converted)
4	Exchange	69.2813	0.0049
5	Share Capital	112.39	7.30
6	Reserves & Surplus	-190.64	-30.32
7	Total Assets	-	62.31
8	Total Liabilities (Excluding Equity & Other Equity)	78.25	85.34
9	Investments	-	-
10	Turnover*	-	-
11	Profit Before Taxation	8.12	-10.91
12	Provision for Taxation	-	-
13	Profit After Taxation	8.12	-10.91
14	Proposed Dividend	-	-
15	% of Shareholding	100%	60%

*Currency rate for turnover has been taken on average rate.

1. Name of Subsidiaries which are yet to commence operations : None
2. Name of Subsidiaries which have been liquidated or sold during the year : None

PART "B" - Associates and Joint Ventures

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

Sl. No.	Name of Associate/Joint Venture	N.A.
1	Latest Audited Balance Sheet date	-
2	Date on which the associate or Joint Venture was associated or acquired	-
3	Shares of Joint Ventures held by the Company on the year end	
	No. of Shares	-
	Amount of Investment in Joint Venture	-
	Extend of Holding %	-
4	Description of how there is significant influence	-
5	Reason why the Joint Venture is not consolidated	-
6	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	-
7	Profit/Loss for the year (₹ in Lacs)	
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

1. Names of Associates or Joint Ventures which are yet to commence operations : None
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : None

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: The 14th day of Aug, 2019

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Anil Prasad Shaw

Company Secretary

Vipul Jain

Chief Financial Officer

Corporate Information

Board of Directors

Mr. Suresh Kumar Patni
Mr. Ankit Patni
Mr. Ranjeet Kumar Burnwal
Mrs. Sujata Agarwal
Mr. Ankit Rungta
Mr. Ankit Jain
Mr. Sharat Malik

Non-Executive Chairman
Managing Director
Executive Director (Works)
Independent/Non-Executive Director
Independent/Non-Executive Director
Independent/Non-Executive Director
Independent/Non-Executive Director

Chief Financial Officer

Mr. Vipul Jain

Company Secretary

Mr. Anil Prasad Shaw

Statutory Auditors

M/s. R. Kothari & Company
Chartered Accountants
16A, Shakespeare Sarani
Kolkata - 700 071

Internal Auditors

M/s. NR & Associates
Cost Accountants
16A, Shakespeare Sarani,
5th Floor, Kolkata - 700 071

Cost Auditors

M/s. S. B. & Associates
Cost Accountants
5, Garstin Place, 1st Floor
Kolkata- 700 001

Secretarial Auditor

M/s. K. C. Dhanuka & Co.
Practicing Company Secretaries
419, Centre Point
21, Hemanta Basu Sarani
Kolkata - 700 001

Bankers

State Bank of India
United Bank of India
UCO Bank
Allahabad Bank

Canara Bank
Bank of Baroda
Punjab National Bank
Central Bank of India
Export Import Bank of India
Andhra Bank

Registered office

35, Chittaranjan Avenue, Kolkata - 700 012
Phone: +91 33 2211 0225/26

Corporate office

SKP House, 132A, S. P. Mukherjee Road
Kolkata - 700 026
Phone: +91 33 4016 8000/8100
Fax: +91 33 4016 8191/8107
E-mail: cs@rohitferrotech.com
Website: www.rohitferrotech.com

Plant Information

Bishnupur
WBIIDC Road, P.S.: Bishnupur
P.O.: Dwarika - 722 122
Dist: Bankura, West Bengal

Jajpur

Kalinganagar Industrial Complex
P.O.:Duburi - 755 026,
Dist: Jajpur, Odisha

Haldia

Jaynagar, PS: Durgachak
P.O.: Buniaraichak,
Dist: Purba Medinipur, West Bengal

DISCLAIMER

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed 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 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

By Courier



If undelivered, please return to :

Rohit Ferro-Tech Limited

SKP House, 132A, S. P. Mukherjee Road,
Kolkata - 700 026