



BKM
INDUSTRIES LIMITED

(Formerly Manaksia Industries Limited)
CIN: L27100WB2011PLC161235

Registered Office:
Bikaner Building, 3rd Floor
8/1, Lal Bazar Street
Kolkata – 700 001, India

Date: 3rd September, 2020

<p>The Secretary, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001</p> <p>Scrip Code No.- 539043</p>	<p>The Secretary, National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, 'G' Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051</p> <p>Code – BKMINDST</p>
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Dear Sir,

Sub: Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Annual Report for the Financial Year ended 31st March, 2020

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year ended 31st March, 2020 along with the Notice of Annual General Meeting of the Company scheduled to be held on Thursday, 24th September, 2020.

The Annual Report for the Financial Year 2019-20 is available on the Company's website at www.bkmindustries.com.

This is for your information and record.

Thanking You

Yours faithfully,

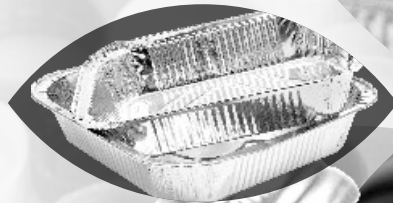
For BKM Industries Limited

Navneet Manaksia
Whole time Director & CFO
DIN: 00438612



BKM
INDUSTRIES LIMITED

Formerly Manaksia Industries Limited



BKM Industries Limited

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Corporate Information

CORPORATE IDENTITY NUMBER

L27100WB2011PLC161235

STATUTORY AUDITORS

M/s. SRB & Associates

DIRECTORS

Mr. Basant Kumar Agrawal
Chairman cum Managing Director

DIN: 00520558

Mr. Aditya B Manaksia

Wholetime Director

DIN: 00614488

Mr. Navneet Manaksia

Whole time Director

DIN: 00438612

Mr. Ganesh Chandra Das

Independent Director

DIN: 08608029

Ms. Jaya Bajpai

Independent Director

DIN: 08603368

Ms. Shipra Shah

Independent Director

DIN: 08603410

COMPANY SECRETARY

Ms. Raveena Dugar

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
Room Nos.: 502 & 503, 5th Floor,
Vaishno Chamber, 6, Brabourne Road,
Kolkata-700001.

REGISTERED OFFICE

Bikaner Building, 3rd Floor,
8/1, Lal Bazar Street,
Kolkata-700001

CORPORATE OFFICE

Bikaner Building, 3rd Floor,
8/1, Lal Bazar Street,
Kolkata-700001

BANKERS

State Bank of India
Allahabad Bank
Bank of Baroda
IDBI Bank Limited
ICICI Bank Limited

BKM INDUSTRIES LIMITED

Regd. Office: Bikaner Building, 3rd Floor,

8/1, Lal Bazar Street, Kolkata- 700 001

CIN: L27100WB2011PLC161235

Phone No.: +91-33-2243 5053; Fax No.: +91-33-2230 0336

Email: secretarial@bkmindustries.com; Website: www.bkmindustries.com

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Members of M/s. BKM INDUSTRIES LIMITED will be held on Thursday, the 24th day of September, 2020 at 3:00 P.M. via Video Conferencing (VC)/Other Audio Video Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Financial Statement and Consolidated Financial Statement of the Company including Audited Balance Sheet as at 31st March, 2020, Audited Profit & Loss Account and the Cash Flow Statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Navneet Manaksia (DIN 00438612), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. RE-APPOINTMENT OF MR. BASANT KUMAR AGRAWAL AS THE CHAIRMAN CUM MANAGING DIRECTOR

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Basant Kumar Agrawal (DIN: 00520558), as the Chairman cum Managing Director of the Company (designated as Key Managerial Personnel), for a period of 3 (three) years with effect from November 23, 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, 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. Basant Kumar Agrawal, subject to the same not exceeding the limits specified under Sections 196 and 197 read with Schedule V (Section II of Part II) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. TO APPOINT MS. JAYA BAJPAI (DIN: 08603368) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and/or any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof or the time being in force) and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Jaya Bajpai (DIN: 08603368) be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from November 13, 2019 and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. TO APPOINT MR. GANESH CHANDRA DAS (DIN: 08608029) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV, 197(5) and/or any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof or the time being in force) and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ganesh Chandra Das (DIN: 08608029)

be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from November 13, 2019 and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. TO APPOINT MS. RITIKA AGARWAL (DIN: 8771261) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and/or any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof or the time being in force) and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Ritika Agarwal (DIN: 8771261) be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from July 28, 2020 and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. CHANGE OF PLACE OF KEEPING REGISTER OF MEMBERS & OTHER RECORDS BY REGISTRAR & SHARE TRANSFER AGENTS

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 94 and all other applicable provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded to shift and maintain the Register of Members, Index of Members and Share Transfer Books and other statutory records with the Company’s existing Registrars and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd. at its new address at Room Nos. 502 & 503, 5th Floor, Vaishno Chamber, 6, Brabourne Road, Kolkata- 700001 with effect from 1st October, 2020.”

Place: Kolkata

Date: 28.07.2020

**By Order of the Board of Directors
For BKM Industries Limited**

Sd/-

Navneet Manaksia
Whole time Director
DIN: 00438612

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conduction Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM) and dispensed personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08,2020, Circular No. 17/2020 dated April 13,2020 and Circular No. 20/2020 dated May 05,2020,prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said Circulars, the 9th Annual General Meeting (AGM) of the members will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only, the detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (Refer serial No.24) and available at the Company's Website www.bkmindustries.com.

The deemed venue for the AGM shall be the Registered Office of the Company.

2. The helpline -number regarding any query/assistance for participation in the AGM through VC/OAVM is -1800-225-533.
3. Since, the AGM is being conducted through VC/ OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 shareholders on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 25th August, 2020.
6. The attendance of the Shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members can raise questions during the meeting or in advance at secretarial@bkmindustries.com.The members are requested to write to the Company atleast 3 days before the AGM, through Email to secretarial@bkmindustries.comfor proper response in the AGM. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
8. Corporate members are requested to send at linkintime@kolkata.co.in before e-voting/attending Annual General Meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Sec 113 of the Companies Act, 2013.
9. 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.

10. Note for Institutional Shareholders

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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 they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

11. 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. iPhone 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.
12. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
13. The profile of the Directors seeking appointment/re-appointment, as required in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange is annexed hereto and forms part of this Notice.
14. In view of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 9th AGM of the Company inter alia indicating the

process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.

Members (Physical/ Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to linkintime@kolkata.co.in and secretarial@bkmindustries.com. Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 9th AGM of the Company will also be available on the website of the Company at www.bkmindustries.com. The same can also be accessed from the websites of the Stock Exchanges i.e. Bombay Stock Exchange of India Limited at www.bseindia.com, NSE Ltd. at www.nsedia.com and on the website of CDSL i.e. www.evotingindia.com.

15. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").
16. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 18th September, 2020 to Thursday, 24th September, 2020, both days inclusive.
17. In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Thursday, 17th September, 2020 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Thursday, 17th September, 2020, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email-ids for e-voting for the resolutions are requested to refer the instructions provided in the notice.
18. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 17th September, 2020 are requested to send the duly signed written / email communication to the Company at secretarial@bkmindustries.com and to the RTA at linkintime@kolkata.co.in by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
19. Those Shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
20. The Company has appointed Mr. S. K. Tibrewalla, Membership No. F3811& Certificate of Practice No. 3982, Company Secretaries in practice, as the Scrutinizer to scrutinize the remote e-voting and the e-voting at the AGM in a fair and transparent manner.
21. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at santibrewalla@gmail.com with a copy mark to helpdesk.evoting@cdslindia.com or before 25th August, 2020 upto 5.00 P.M. without which the vote shall not be treated as valid.
22. Shareholders holding shares in identical order of names in more than one folio, are requested to write to the Company or to the office of the Registrar & share Transfer Agent M/s Linkintime India Private Limited, Room Nos. 502 & 503, 5th Floor, Vaishno Chamber, 6 Brabourne Road, Kolkata- 700001, enclosing their share certificate to enable the Company to consolidate their holdings in one single folio.
23. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s Link Intime India Private Limited, quoting their folio number. The Members updation form forms a part of the Annual Report and is available on the website of the Company.
24. Pursuant to the provisions of Section 125 of the Companies Act, 2013, the amounts of dividend remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and, thereafter, no payments shall be made by the Company or by the IEPF in respect of such amounts. The Company has no un-paid dividend which is required to be transferred to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

The last dates of claim for the following dividends are as follows:

Dividend for the Financial Year ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend
March 31, 2017	September 18, 2017	October 23, 2024

25. Shares in respect of which dividend will be transferred to the Investor Education and Protection Fund ("IEPF") of the Central Government shall also be transferred to IEPF pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules") read with Section 124 of the Companies Act, 2013 (as amended from time to time). Shareholders concerned are requested to encash their unclaimed dividends falling which the corresponding shares will be transferred to IEPF in accordance to the law.
26. The Company has uploaded information of Unclaimed Dividends as on date of the 6th Annual General Meeting held on 18th September, 2017 on the website of the Company viz. www.bkmindustries.com
27. The Register of Directors' and Key Managerial Personnel and their shareholding maintained of the Companies Act, under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to secretarial@bkmindustries.com.
28. Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e- voting, shall be allowed to vote through e-voting system during the meeting.
29. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.

30. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

The voting period begins on 21st September, 2020 at 9:00 A.M. and ends on 23rd September, 2020 at 5:00 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 17th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on "Shareholders" module.

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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

After entering these details appropriately, click on "SUBMIT" tab.

Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for the relevant BKM INDUSTRIES LIMITED on which you choose to vote.

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.

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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.

Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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.

Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

31. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- ii. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.
- iii. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

32. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 (three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- vii. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

33. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

34. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- ◆ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be 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.
- ◆ 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.
- ◆ Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: santibrewalla@gmail.com and secretarial@bkmindustries.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

Other Information:

1. Those persons, who have acquired shares and have become members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. Thursday, 17th September, 2020 shall view the Notice of the 9th AGM on the Company’s website or on the website of CDSL. Such persons may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the AGM.
2. Voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 17th September, 2020. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. Every Client ID No./ Folio No. will have one vote, irrespective of number of joint holders.
4. Shareholders holding shares in dematerialized form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company/ RTA for payment of dividend. The Company/ RTA cannot act on any request received directly from the Shareholders holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.
5. In terms of the provisions of Sections 124 and 125 of the Act, dividend which remains unpaid/ unclaimed for a period of 7 (seven) years from the date of declaration is required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. Further, in terms of the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), Equity Shares, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration, are also required to be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules. All equity shares of the Company on which dividend has not been paid or claimed for 7 (seven) consecutive years or more, shall be transferred by the Company to the IEPF from time to time. Details of unpaid / unclaimed dividend and equity shares transferred to IEPF are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India (“MCA”), if any. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively, pursuant to the IEPF Rules. Shareholders can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making an online application in web Form No. IEPF-5, the details of which are available at www.iepf.gov.in.
6. In terms of the provisions of Regulation 40 of SEBI Listing Regulations and various notifications issued in that regard, requests for effecting transfer of securities (except in case of transmission or transposition of securities) could not be processed since 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. In view of the same, Shareholders are requested to take action to dematerialize the Equity Shares of the Company/ RTA, promptly.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in

dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Shareholders holding shares in physical form should submit their PAN to the Company/ RTA.

8. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, Email ID, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants in case the shares are held by them in dematerialized form and to the Company/ RTA in case the shares are held by them in physical form.
9. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialized form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or RTA. The aforesaid Form No. SH 13 can be downloaded from website of the Company i.e. www.bkmindustries.com.
10. Shareholders are requested to quote their Folio No. or DP ID - Client ID, as the case may be, in all correspondence with the Company or the RTA.

Scrutinizer's Report and Declaration of results

1. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
2. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hindcon.com and on the website of CDSL i.e. www.evotingindia.com. The Company shall simultaneously forward the results to BSE Ltd. (BSE) and National Stock exchange Limited (NSE) where the shares of the Company are listed.

Since the AGM will be held through Video Conferencing or Other Audio Visual Means, route map of venue of the AGM and admission slip is not attached to this Notice.

Place: Kolkata

Date: 28.07.2020

**By Order of the Board of Directors
For BKM Industries Limited**

Sd/-

Navneet Manaksia
Whole time Director
DIN: 438612

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the business mentioned at Item Nos. 3 to 7 of the accompanying Notice dated 28th July, 2020:

Item No. 3

The terms of appointment of Mr. Basant Kumar Agrawal the Chairman cum Managing Director would expire on November 22, 2020. The Board of Directors of the Company (the 'Board'), at its meeting held on 28th July, 2020, subject to provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association of the Company and subject to the approval of members in the Annual General Meeting, has re-appointed Mr. Basant Kumar Agrawal as Chairman cum Managing Director for a period of 3 (three) years w.e.f. November 23, 2020, on the terms & conditions and at the remuneration as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.

It is proposed to seek the members' approval for the reappointment of and remuneration payable to Mr. Basant Kumar Agrawal as Chairman cum Managing Director, in terms of the applicable provisions of the Act and the rules made thereunder.

The terms of re-appointment and remuneration payable to Mr. Basant Kumar Agrawal are as follows:

1. Remuneration : 7,00,000/- per month and revision/increment as may be recommended by Nomination & Remuneration Committee and approved by the Board from time to time and permissible under Schedule V of the Companies Act, 2013 during his tenure.
2. Perquisites: The Executive Director, in addition to Salary, shall be entitled to the following perquisites –
 - a. Rent free accommodation: He shall be provided with rent free accommodation.
 - b. Medical Reimbursement: Actual Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
 - c. Leave Travel Concession: For self and his family, once in a year, actual expenses incurred in accordance with the rules of the Company.
 - d. Clubs Fees: Fees of Clubs subject to a maximum of three clubs. This will not include admission and life membership fees.
 - e. Personal Accident Insurance: Premium not to exceed Rs. 50,000/- per annum.
 - f. Gratuity: Gratuity payable shall not exceed half of a month's salary for each completed year of service.
 - g. Car & Telephone: Car with Driver for use of Company's business and telephone at residence will be provided. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the Director.
3. Other Terms:
 - a. Mr. Basant Kumar Agrawal, as long as he functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors or any Committee thereof.
 - b. He shall devote the whole of his time, attention and abilities to the business of the Company and in all respects conform to and comply with the directions given and regulations made by the Board or any Committee of the Board from time to time.
 - c. The Board may from time to time entrust upon him such of the powers exercisable by him as it thinks fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with restrictions as it may think expedient.
 - d. He shall comply with the Company's Code of Conduct and other codes and policies framed by the Company from time to time.
 - e. The Managing Director shall not, so long as he functions as such, be subject to retirement by rotation.
 - f. He shall be entitled to reimbursement of traveling, entertainment and all other expenses actually and properly incurred for legitimate business need of the Company but subject to rules of the Company framed from time to time.
 - g. He shall be reimbursed actual out of pocket expenses incurred by him in the course of discharging his duties in the capacity of Managing Director.
 - h. Either party may terminate the agreement by giving 3(Three) months' notice in writing or remuneration in lieu thereof without showing any reason.
 - i. In the absence of inadequacy of profit of the Company in any financial year, he shall be entitled to receive such remuneration as is permissible under Section 197 read with Schedule V of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The statement as required under Schedule V (third proviso of Section II of Part II) of the Company, appointee, other information and disclosures is annexed hereto.

The Board believes that the appointment of Mr. Basant Kumar Agrawal will help the Company to reach great heights in future. Therefore, your Board of Directors recommends the above resolution set out in Item No.3 of the accompanying notice for your approval.

Moreover, Mr. Basant Kumar Agrawal who will be re-appointed as Managing Director by the members of the Company from 23rd November, 2020 to hold office up to 22nd November, 2023 had attained the age of 70 (seventy) years and as per the provision of section 196(3) and Part I of Schedule V of the Companies Act, 2013 requires approval of Shareholders by means of special resolution for appointment of a person who has attained the age of more than seventy years. Hence, continuation of his office as Managing Director requires the approval of members by means of special resolution.

None of the Directors, Key Managerial Personnel(s) and their relatives except Mr. Aditya B Manaksia and Mr. Navneet Manaksia are in any way financially or otherwise deemed to be concerned or interested in the above resolution.

Pursuant to Section 190 of the Companies Act, 2013, a copy of the letter of appointment issued to Mr. Basant Kumar Agrawal, Chairman cum Managing Director is open for inspection at the registered office of the Company during business hours till the date of ensuing Annual General Meeting.

Item No. 4

In terms of the provisions of the Companies Act, 2013 ("The Act"), the Articles of Association of the Company, the Board of Directors had at its Meeting held on November 13, 2019 appointed Ms. Jaya Bajpai (DIN 08603368), as an Independent Director (Additional Director) of the Company with immediate effect. Ms. Bajpai, being an Additional Director holds office upto the date of this Annual General Meeting (AGM) unless appointed by shareholders in the AGM.

Further the Company has received requisite consent and declaration from her stating her intention to act as an Independent Director of the Company and that she fulfils the criteria of independence as provided in section 149 and Rules made thereunder, SEBI (LODR) Regulations, 2015 and is independent of the management.

Ms. Jaya Bajpai does not hold any equity shares of the Company.

The Board, based on working experience of Ms. Bajpai, considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Jaya Bajpai as an Independent Director and accordingly recommends the resolution as set forth in Item no. 4 for the approval of the shareholders of the Company.

Copy of draft letter of appointment setting out the terms of her appointment is open for inspection at the Registered Office of the Company by any members during business hours on all working days till the conclusion of the ensuing Annual General Meeting.

Item No. 5

In terms of the provisions of the Companies Act, 2013 ("The Act"), the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors had at its Meeting held on November 13, 2019 appointed Mr. Ganesh Chandra Das (DIN 08608029), as an Independent Director (Additional Director) of the Company with immediate effect. Mr. Das, being an Additional Director holds office upto the date of this Annual General Meeting (AGM) unless appointed by shareholders in the AGM.

Further the Company has received requisite consent and declaration from his stating his intention to act as an Independent Director of the Company and that he fulfils the criteria of independence as provided in section 149 and Rules made thereunder, SEBI (LODR) Regulations, 2015 and is independent of the management.

Mr. Ganesh Chandra Das does not hold any equity shares of the Company.

As per Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2015 which would be made applicable from 1st April, 2019, any Director who has attained or would attained the age of 75 (seventy five) years, cannot be appointed or continue as a Non-Executive Director unless a Special Resolution is passed to that effect with the justification of such appointment.

The aforesaid Independent Director have attained the age of 75 years. Accordingly, approval is sought from members for passing of Special Resolution for appointment / continuation in the office of IDs.

The Board, based on the extensive working experience of Mr. Das, considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Ganesh Chandra Das as an Independent Director and accordingly recommends the resolution as set forth in Item no. 5 for the approval of the shareholders of the Company.

Copy of draft letter of appointment setting out the terms of his appointment is open for inspection at the Registered Office of the Company by any members during business hours on all working days till the conclusion of the ensuing Annual General Meeting.

Item No. 6

In terms of the provisions of the Companies Act, 2013 ("The Act"), the Articles of Association of the Company, the Board of Directors had at its Meeting held on July 28, 2020 appointed Ms. Ritika Agarwal (DIN 8771261), as an Independent Director (Additional Director) of the Company with immediate effect. Ms. Agarwal, being an Additional Director holds office up to the date of this Annual General Meeting (AGM) unless appointed by shareholders in the AGM.

Further the Company has received requisite consent and declaration from her stating her intention to act as an Independent Director of the Company and that she fulfils the criteria of independence as provided in section 149 and Rules made thereunder, SEBI (LODR) Regulations, 2015 and is independent of the management.

Ms. Ritika Agarwal does not hold any equity shares of the Company.

The Board, based on working experience of Ms. Agarwal, considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Ritika Agarwal as an Independent Director and accordingly recommends the resolution as set forth in Item no. 4 for the approval of the shareholders of the Company.

Copy of draft letter of appointment setting out the terms of her appointment is open for inspection at the Registered Office of the Company by any members during business hours on all working days till the conclusion of the ensuing Annual General Meeting.

A. Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting

(In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Statement as per Schedule V (third proviso of Section 110f Part II) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India)

Sl. No.	Name of the Director	Mr. Ganesh Chandra Das	Ms. Jaya Bajpai	Mr. Navneet Manaksia	Mr. Basant Kumar Agrawal	Ms. Ritika Agarwal
1.	DIN	08608029	08603368	00438612	00520558	8771261
2.	Date of Birth and Age	03/09/1944 (76 years)	15/11/1992 (28 years)	25/06/1971 (49 years)	07.06.1947 (73years)	06.11.1991 (29years)
3.	Nationality	INDIAN	INDIAN	INDIAN	INDIAN	INDIAN
4.	Date of appointment	13.11.2019	13.11.2019	7.01.2017	25.03.2011	28.07.2020
5.	Remuneration last drawn / Past Remuneration	Nil	Nil	Rs. 4,50,000/-per month plus perquisites	Rs. 7,00,000/-per month plus perquisites	Nil
6.	No. of shares held in the Company	0	0	95,00,000	1,44,05,940	0
7.	Qualification & Expertise in specific functional area / Background details / Job profile and his suitability	Advocate	Company Secretary	Bachelor in Chemical Engineering (B.E.); Advanced Management Programme from Wharton Business School, University of Pennsylvania, USA Expertise: Specialize in all kinds of activities of the Company mainly production, marketing and financial management.	B. Com Expertise: Specialize in overall management of the Company.	Chartered Accountant
8.	No. of Board Meetings Attended	2	2	4	3	0
9.	List of other listed Companies in which Directorships held as on 31st March, 2020	Nil	Nil	Nil	Nil	Nil
10.	Chairman/ Member of the Committee of the Board of other Companies in which he is a Director as on 31st March, 2020	Nil	Nil	Nil	Nil	Nil
11.	Disclosure of relationship between Directors inter-se/ Managerial Personnel	Nil	Nil	Mr. Basant Kumar Agrawal – Father Mr. Aditya B. Manaksia – Brother	Mr. Navneet Manaksia – Son Mr. Aditya B. Manaksia – Son	Nil

B. Statement as per Schedule V (third proviso of Section II of Part II) of the Companies Act, 2013 in respect of remuneration payable by the Company having no profits or inadequate profits

I. General Information:

- Nature of industry: Manufacturing of Crowns, Ropp Caps and PP Caps closures
- Date or expected date of commencement of commercial production: Not Applicable as it is an existing Company since 1972.
- In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- Financial performance based on given indicators:

(Rs. in Lakhs)

	31.03.2020	31.03.2019	31.03.2018
Turnover (Gross):	374	3,923	15,338
Net Profit/ (Loss):	(2,860)	(5,642)	527

- Foreign investments or collaborations, if any: No investment is made by the Company during F.Y. 2019-20.

II. Information about the appointee:

Name of the appointee	Mr. Basant Kumar Agrawal
Background details	Mr. Basant Kumar Agrawal is a Commerce Graduate and is of 73 years of age
Past remuneration (Rs. In Lakhs)	84.00 Lakhs
Recognition or awards	NIL
Job profile and his suitability	Specialize in overall management of the Company
Remuneration proposed	As provided in the notice
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Board is of the opinion that the proposed remuneration is commensurate with his role and responsibility as an Executive Chairman of the Company.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Mr. Navneet Manaksia – Son Mr. Aditya B Manaksia – Son

III. Other information:

- i) Reasons of loss or inadequate profits: During the year 2019-20, in spite of best efforts, the quantum of net profit could not meet the limits as required for payment to Executive Directors resulting inadequacy.
- ii) Steps taken or proposed to be taken for improvement: Various measures and suitable steps have been taken to reduce the cost of production & to cope with the unfavorable climatic conditions for increasing efficiency/ productivity/ quality in the coming years.
- iii) Expected increase in productivity and profitability in measurable terms: The Company expects substantial increase in production and significant profitability after implementation of its necessary steps for improvement.

IV. Disclosures:

The requisite disclosure with respect to Mr. Basant Kumar Agrawal has been set out in item no. 3 of the Explanatory Statement annexed to the notice convening this meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic overview

During 2019-20 due to Covid Pandemic Global economy has been heading for Negative growth and also consumption has been declined due to massive job loss in world. whole world has started to boycott Chinese product due to the Pandemic issue. this issue will continue till this Pandemic issue will be solved.

Global economic growth for 6 years

Year	2016	2017	2018	2019	2020 (f)	2020 (f)
Real GDP Growth (%)	3.4	3.8	3.6	2.9	(4.9)	5.4

Source: IMF June 2020

Indian economic overview

After registering GDP growth of over 6.1% during 2017-18, the Indian economy headed for somewhat slower growth, estimated to be 4.2% in 2018-19. The Indian economy will headed for a negative growth of (4.5%) during 2020-21 due to Covid – 19 Pandemic. Once the Covid – 19 situation will come under control again the Indian economy will headed for 6% growth during 2021-22.

The year under review was marked by various structural reforms by the Government after this Covid – 19 Pandemic & India is one of the country where foreign exchange reserve is \$ 516b during 2020.

Outlook for India

World Bank projected India's economic growth to accelerate to 6% in 2020-21, Strong private consumption and services are expected to continue to support economic activity. Over the medium- term, GST introduction is expected to catalyse economic activity and fiscal sustainability. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit to the private sector and spur investment.

(Source: IMF, World Bank)

Global packaging sector overview

The global packaging market is estimated to total USD 424 billion with an annual growth rate of 3.5%. Europe accounts for USD 127 billion (30%), North America for USD 118 billion (28%), Asia for USD 114 billion (27%), Central America for USD 30 billion (7%) and other countries for USD 30 billion (8%). The global market for flexible packaging totaled USD 104.527 billion in 2016. Over the coming five years it is expected to grow to USD 138,680 billion.

While the Asia-Pacific region is still the market leader in flexible packaging, demand from such threshold countries as China and India, Brazil and Mexico is rising. Even as packaging made of paper, cardboard and paperboard accounts for the lion's share at 46%, the production of steel-based metal packaging went up by 12.9%.

The demand for packaging is rising disproportionately fast in threshold countries. The global e-commerce industry which includes online retail shopping has witnessed a substantial growth during the period between 2014 and 2017 and is expected to grow further due to increased penetration of internet in emerging nations such as India, China, Brazil, Mexico, and South Africa. This growth in online retail sales has boosted the demand for packaging products to ensure safe shipment of products. The main drivers for the global packaging sector are an increasing awareness among consumers about health and wellness, growing awareness about environmental issues and impact of various macroeconomic trends.

(Source: Smithers Pira, PR Newswire, Mintel, Interpack, Research and Markets)

Five trends impacting the global packaging sector

Lesser waste: The throwaway culture of today will evolve into one that understands and embraces the role of packaging as a primary means to reduce global food and product waste. Consumers have long considered packaging as often unnecessary and ultimately as just waste to be disposed of. But that misconception is now changing. A focus on package innovations that extend food freshness, preserve ingredient fortification and ensure safe delivery is increasingly benefiting consumers.

Cleaner labels: Aiming for packaging designs that enlighten consumers' purchase decisions, brands will reject approaches that offer too much or too little, as they can leave shoppers more confused than ever. This can lead to the questioning of provenance, authenticity, and transparency. Hence, the need of the hour is cleaner labeling.

Better e-commerce packaging: As more and more consumers embrace online shopping, packaging will play a pivotal role in brands' and consumers' e-commerce experiences. However, while the key advantage of online shopping is convenience, consumers expect more from their favoured brands.

Greater eco-friendliness: Concerns over safe packaging disposal will increasingly colour consumers' perceptions of different packaging types, and impact shopper purchase decisions. While collecting waste plastic from the sea to recycle into new packaging can raise consumer awareness, it won't solve the problem. In order to keep plastic out of the sea, a renewed effort towards the circular economy needs to be seen.

Keener youth focus: Brands will look to contemporary packaging formats to help reinvigorate the centre-of-store aisles less visited by younger consumers. Young shoppers are increasingly 'shopping the periphery', visiting the fresh shoppers are increasingly 'shopping the periphery', visiting the fresh and chilled aisles around the store perimeter and turning their backs on processed, ambient, and frozen offerings in the centre of the store.

Global caps and closures sector overview

The global market for caps and closures was valued at USD 49.78 billion in 2015 and it is expected to grow at a CAGR of 4.9% between 2017 and 2023. In volume terms, this market is likely to surpass 3.34 trillion units by 2023, growing at a CAGR of slightly more than 4.4% between 2017 and 2023. Caps and closures play an important role in packaging and are widely used by various industries such as food, beverages, and healthcare. Increasing consumption of carbonated beverages, soft drinks and other bottled beverages is expected to fuel the demand for caps and closures. Another trend that is prevalent in this market is due to increasing urbanisation with consumers shifting towards healthy and safe packaged food. Emerging nations such as India, China, and Brazil are all witnessing a shift in the buying patterns of consumers towards packaged food and beverages owing to increasing disposable incomes. The growth drivers for the caps and closures segment are an increasing demand from the Asia Pacific region, growing diversity in terms of applications of caps and closures, a rising need for storing food and beverages longer and mounting consumer concerns regarding product safety.

The Asia Pacific region leads the market with the majority of the demand coming from the packaging niche. Nations such as Brazil and Argentina have untapped potential and are expected to offer lucrative opportunities for dedicated players.

(Source: Businesswire, Infinium Global Research, Market Research Future, Grand View Research)

Global caps and closures market sub-division

By material	By type	By application	By region
Plastics	Caps	Food and beverages	North America
Metals	Closures	Pharmaceuticals	Europe
Others	Corks	Cosmetics	Asia Pacific
	Stoppers	Automotive	Rest of the
	Cans	components	World
	Others	Others	

Indian packaging sector overview

Currently the fifth-largest sector of India's economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export market. Costs of processing and packaging food can be up to 40% lower than parts of Europe which, combined with India's resources of skilled labor, make it an attractive venue for investment.

A high degree of potential exists for almost all user segments which are expanding appreciably-processed foods, hard and soft drinks, fruit and marine products. The Indian packaging industry has made a mark with its exports that comprise flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board and packaging machinery, while the imports include tinplate, coating and lining compounds and others. In India, the fastest growing packaging segments are laminates and flexible packaging, especially PET and woven sacks.

The Indian packaging industry will see notable growth over 2016-2021, growing at a CAGR of 9.2%, compared to 6.2% during 2011-2016. The growth of the Indian packaging industry will be heavily influenced by changing demographics such as growing urbanisation and the rising proportion of middle-class consumers. These changes will drive the demand for new packaging formats in terms of sizes, materials, and strengths. Till 2021, the soft drinks and food products industries will be the highest packaging market share gainers (by units) with share growths of 3.4% and 1.3%, respectively. The growing organised retail sector has been a significant driver of the growth of the food and beverage industries, which in turn drives the growth of Indian packaging industry.

A study by trade and commerce trade association Assocham and global consulting firm EY revealed that the packaging industry in India is anticipated to reach \$73.6bn by the 2020 financial year (FY2020), due to India's growing population and income levels.

The packaging industry in India is predicted to grow at 18% annually, with flexible packaging growing at 25% and rigid packaging at 15%. Packaging Gateway dives into this billion-dollar market to investigate the future of packaging industry in India.

The global pharmaceutical packaging market has been predicted to double to \$149bn in a decade, with India one of the markets currently producing a large quantity of plastic pharmaceutical packaging. Large multinational pharma packaging companies, such as Amcor, Huhtamaki, West Pharma and SGD Pharma, along with Indian companies, including UFlex and EsselPropack, lead the way within the country's pharma packaging market.

(Source: PIAI, businesswire)

Outlook

As the requirement for packaging is rising across sectors and with traditional businesses preferring to package products, the sector is expected to continue growing at a robust pace, presenting potential growth opportunities for new entrepreneurs, and small and medium enterprises.

The packaging sector is witnessing double-digit growth and it will only grow further as packaging is essential for all sectors right from processed foods and food grains to fertilisers and pharmaceuticals. Even traditional sectors that were hitherto not focusing much on packaging are now spending a lot on packaging, thus increasing the market for the sector. The sector is expected to reach USD 73 billion by 2020 from USD 32 in FY 15. With 60% of the plastic and polymers produced in the country being consumed by the packaging sector as raw material, thus pointing to the huge size of the market. Demand is expected to grow at a CAGR of 8.9% to reach 9.7 million tonnes in FY19 due to factors such as increased urbanisation, requirement of better quality packaging for FMCG products marketed by organised retail chains and an increasing preference for ready-to-eat foods. Even by modest estimates, the packaging sector will grow by at least 20% over the next few years. The industry is driven by key factors like rising population, increase in income levels and changing lifestyles. Demand from rural sector for packaged products is being fueled by increasing media penetration through the means of internet

Indian packaging sector sub-divisions

By function	By methods	By contents	By materials
Heavy packaging (Large) Containers Wooden packs	Vacuum Aseptic Retortable	Food Cosmetics Powders Toiletry	Rigid packaging Bottles and metal cans Wooden boxes Metal boxes
Medium packaging (Middle) Carton boxes Woven bags Cans, barrels and tubs	Shrink Strip Gas flush Moisture-proof	Drugs Liquids Clothing Others	Semi-rigid packaging Carton boxes Plastic bottles
Light packaging (Small) Flexible packaging	Blister packaging Skin packaging Others		Flexible packaging Paper, plastic Film, aluminum foil Cellophane

and television. Organised retail and boom in e-commerce will fuel growth of plastic packaging and per capita consumption to be doubled in five years. The per capita packaging consumption in India is quite low at 8.7 kilograms compared with countries like Germany and Taiwan where it is 42 kilograms and 19 kilograms, respectively.

(Source: Indian Express, Indian Institute of Packaging, Economic Times, FICCI, TSMG)

Indian caps and closures market overview

The Indian caps and closures market is steadily growing propelled by factors such as rise in disposable incomes in the nation have led to an increased spending on fast-moving consumer goods. There is also an increased adoption of westernised styles of living due to which the demand for fast food and packaged beverages has also witnessed a

strong growth. This is leading to an increased demand for innovative rigid packaging solutions causing a rise in demand for caps and closures. There has also been an improvement in the manufacturing industry which has resulted in the growth of the caps and closures market due to high demand for packaged products that require metal caps and closures. Besides plastic, metal caps and closures are also witnessing an increased demand as usage of metal eliminates random oxidation, leakage, tainting and change in flavour of the product.

(Source: Mordor Intelligence)

Internal controls systems and their adequacy

The internal control framework is designed to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information and other data. This system is supplemented by internal audit, reviews by the management and documented policies, guidelines and procedures. The Company has a well-defined organisation structure, authority levels, internal rules and guidelines for conducting the business transactions. The Company intendsto undertake further measures as necessary in line with its intent to adhere to procedures, guidelines and regulations as applicable in a transparent manner. An external audit firm carries out the internal audit of the Company operations and reports its finding to the Audit Committee.

Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting. Internal Audit is carried out as per risk based internal audit plan which is reviewed by the Audit Committee of the Company. The Committee periodically reviews the findings and suggestions for the improvement and is apprised on the implementation status in respect of the actionable items.

Financial analysis

Due to changes of Policy by RBI in Feb 2018 Company Faced liquidity mismatch and could not procure raw material in time so during 2018-19 Company Turn over decreased to 4,152 lakhs on standalone basis.&

Advantages of using aluminum as a packaging material

Inert: Aluminum is non-reactive and does not affect the taste or aroma of products stored in it

Lightweight: With a density of 2.70 grams per cubic centimetre, aluminum products are easy-to-transport

Impermeable: The metal is renowned for being non- corrosive and it helps prevent rusting and keeps out air, light, liquids and microorganisms

Conductivity: The metal is also an excellent conductor which makes it ideal for use as containers or seals

Flexible: Aluminum can be rolled into extremely thin foils, cast and joined and still retain much of its strength

Recyclable: Aluminum is 100%-recyclable and uses only 5% of the energy used to make the original product

Processable: A low melting point means aluminum requires much less energy to be processed and recycled

during 2019-20 Company Turn Over decreased to 868 lakhs, To overcome this situation. Company has submitted Loan a rephasement proposal to Banks for revival of business. after this covid – 19 we are expecting Banks will agree to our rephasement proposal for revival of the company.

Human resources

Employee relations continued to remain cordial during the fiscal gone by. The management pays specific attention to employee needs and takes decisive steps to ensure a comfortable working environment across all its facilities. During the year, the Company did not face any disruptions. New members were recruited wherever deemed necessary. The Company's employee strength as on 31st March 2020 stood at 60.

CSR

Founded in 1972, BKM Industries Limited (erstwhile Manaksia Group) evolved under the able leadership of Mr. Basant Kumar Agrawal and believed ever since in creating sustainable value through responsible business activities for all our stakeholders, thereby enhancing trust and facilitating the sharing of our progressive vision and strategy to build a more cohesive society. We accept that in this dynamic and interconnected world, all businesses need to be empathetic and aware of its economic, social and environmental responsibilities.

At BKM Industries, corporate social responsibility is ingrained into our core company strategies and functions that not only encompasses our purpose but also emphasises the importance of our culture and investments into our resources. While our focus is primarily on issues

that are most relevant to our business, we also believe in our potential and intent to have the greatest impact wherever and however possible. BKM Industries Limited is committed towards creating meaningful impact in four key areas: People, Society, Economy and Environment.

Our people are our greatest strength, and we believe that by honing their skills and enabling them to reach their full potential, we would only grow as a successful organisation. At BKM Industries, we empower our people to innovate and lead. We encourage them to take active interest in the proceedings of the organisation, share their perspectives and bring more creativity to the table. We understand the significance of this mutually benefitting practice and a simplified cultural arrangement, thereby fostering an unrestricted, trusting, impartial, and all-encompassing convergence through which diverse thoughts, obstacles and ideas are shared and heard.

At BKM Industries, we are committed towards the development of a healthy society through the creation of a sustainable and long-term environment. Thus, we consider the reduction of our carbon footprint and consumption of depleting resources, a major priority, thereby cutting-back on the environmental impact of our products and operations.

Last, but not the least, our sustainable people and environmental practices collectively contribute towards the growth of the national economy through strategic investments and innovations. Our key CSR goals and progress are aligned to our core values of ensuring ethical business practices and responsible corporate governance. And our mission is to constantly evolve as an organisation thereby enhancing value for all our stakeholders and the society as a whole.



DIRECTORS' REPORT

BOARD'S REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the 9th (Ninth) Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2020.

FINANCIAL RESULTS/SUMMARY

(In Rs Lakhs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Revenue	868	4152	870	4744
Profit / (Loss) Before Tax (PBT)	-3277	-5888	-3339	-5748
Less: Provisions for Taxation	-	-	-	-
Profit After Tax (PAT)	-2860	-5642	-2922	-5502
Other Total Comprehensive Income	5	33	5	33
Total Comprehensive Income for the period	-2855	-5609	-2917	-5469

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The Company is engaged in the business of metal packaging products, aluminum semi rigid containers, ship building, naval design services and agro-commodities. The Company has achieved a turnover from operations of Rs. 374 lakhs compared to Rs. 3,923 lakhs in the previous financial year and incurred a net loss of Rs. 2860 lakhs compared to a net loss of Rs. 5642 lakhs in the previous financial year.

However, the Company has suspended manufacturing operations at its plant located at 161/1, Village: Khutli, Via Khanve, Dudhni Road, U.T. of DNH, Silvassa, PIN-396230, with effect from 17th July, 2020 from 6A.M. onwards, due to sluggish demand of the products of the Company

During the year the management has reviewed the recoverability of its debtors and security deposit in hand based on technical evaluation and has written down its debtors and security deposit (unfit for human consumption as per FASSAI) by Rs. 1,919 lakhs.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There is no change in the business of the Company during the financial year 2019-20.

DIVIDEND

Due to losses incurred during the financial year under review, the Board could not recommend any dividend on the Equity Shares of the Company.

ISSUE OF SHARES

The Company has not issued any share / securities during the financial year under review.

DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT

Disclosure as required under regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), is given in Corporate Governance Report which forms part of this report.

DEPOSITS

The Company has not accepted any deposit during the year under review.

TRANSFER TO RESERVE

During the year under review your Company has not transferred any amount to the General Reserve Account.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Directors Responsibility Statement as referred to in section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- i) In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors 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 the end of the financial year and of the loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information related to conservation of energy, Research & Development, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are given in the Annexure – 'A' as attached hereto forming part of this Report.

CORPORATE GOVERNANCE

Your Company has practiced sound Corporate Governance and taken necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance. Your Company has complied with the requirements of all the applicable Regulations read with Schedule - V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as issued by Securities and Exchange Board of India and as amended from time to time. Your Company has given its deliberations to provide all the information in the Board's Report and the Corporate Governance Report as per the requirements of Companies Act, 2013 and the Listing Regulations entered by the Company with the Stock Exchanges, as a matter of prudence and good governance.

A Report on Corporate Governance along with a certificate from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary, certifying compliances with the provisions relating to the Corporate Governance as stipulated in the Listing Regulations forms part of this report as Annexure – 'B'.

CODE OF CONDUCT

The Code of Conduct for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company is in force and the same has been placed on the Company's website: www.bkmindustries.com. Duties of the Independent Directors have suitably been incorporated in the code. A declaration signed by the Managing Director & CEO to this effect forms part of Corporate Governance Report as annexed to this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, your Company has adopted the Code of Conduct for prevention of Insider Trading. Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has duly approved and adopted the code of practices and procedure for fair disclosure of Un-published Price Sensitive Information and formulated the code of conduct of the Company.

However, SEBI has amended certain provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 w.e.f. 1st April, 2019, which were duly adopted by the Company and the Code of Conduct was revised accordingly, the aforesaid code of conduct for prevention of Insider Trading is duly placed on the Website of the Company at www.bkmindustries.com

PERFORMANCE & FINANCIAL POSITION OF SUBSIDIARY/ASSOCIATES

Highlights of performance of subsidiaries, associates and their contribution to the overall performance of the Company during the period. [Pursuant to Section 134 and Rule 8 of Companies (Accounts) Rules, 2014]

SUBSIDIARY

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, details containing salient features of the financial statement of subsidiary companies in Form AOC-1 are given in Annexure-'C'. The details of performance of the Subsidiary Companies are as follows:

a. Euroasian Ventures FZE

The revenue of the Company for the year ended 31st March, 2020 stood at AED 50642 (equivalent to Rs 9.78 lakhs during the year ended 31st March, 2020, the Company had incurred net loss of AED 180423 equivalent to 34.83 lakhs (approx.)

b. Eurasian Steels LLC

Euroasian Steels LLC is the subsidiary of Euroasian Ventures FZE. The Company has not undertaken any business during the financial year under review. Therefore, the revenue of the Company for the year ended 31st March, 2020 stood NIL.

c. Jiwanyoti Vanijya Pvt. Ltd., Wholly-owned Subsidiary Company

The Company has reported total revenue Rs. 7.69 lakhs during the year as compared to revenue of Rs. 7.21 lakhs in the previous year. During the year ended 31st March, 2020, the Company had incurred a net loss of Rs. 24.58 lakhs compared to Rs. 25.72 lakhs in the previous year

d. Glitter Agencies Pvt. Ltd., Wholly-owned Subsidiary Company

The Company has reported total revenue Rs. 7.65 lakhs during the year as compared to revenue of Rs. 7.20 lakhs in the previous year. During the year ended 31st March, 2020, the Company has incurred a net loss of Rs. 19.93 lakhs compared to loss of Rs. 20.29 lakhs in the previous year.

e. B K Manaksia Nigeria Ltd., Wholly-owned Subsidiary Company

M/s. BK Manaksia Nigeria Ltd. has not undertaken any business during the financial year under review. However, it has incurred preliminary and pre-operative expenses of 29,39,536.93 (Niara) till 31st March, 2020 (equivalent to Rs. 6.75 lakhs).

f. BKM Agrotech Private Limited, Wholly owned Subsidiary

BKM Agrotech Private Limited incorporated on 13th March, 2018, as the wholly owned subsidiary company. The Company has not undertaken any business during the financial year under review. Therefore, the revenue of the Company for the year ended 31st March, 2020 stood NIL. During the year ended 31st March, 2020, the Company had incurred a net loss of Rs. 91,185.

Except as stated hereinabove, no other Company has become or ceased to be the Company's subsidiary, joint venture or associate company during the year under review.

PERSONNEL

The particulars and information of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 has been set out as Annexure – 'D' to this Report.

COMPANY'S WEBSITE

The website of your Company www.bkmindustries.com has been designed to present the Company's businesses up-front on the home page. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & Corporate Profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been uploaded to the aforesaid website of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Director - Retirement by Rotation:

Pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Navneet Manaksia (DIN 00438612), Director of the Company, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013.

The Executive and non-executive Directors have also made necessary disclosures to the extent as required under the provisions of section 184(1) of the Companies Act, 2013, as applicable.

i) Appointment/Re-appointment of the Directors :

a. Ms. Jaya Bajpai (DIN: 08603368) was appointed as an Additional Director (designated as Independent Director) of the Company by the Board w.e.f. November 13, 2019 for a consecutive period of 5 years. She will hold the office till the ensuing Annual General Meeting (AGM) unless appointed by the Shareholders in the AGM.

b. Ms. Shipra Saha (DIN: 08603410) was appointed as an Additional Director (designated as Independent Director) of the Company by the Board w.e.f.

November 13, 2019 for a consecutive period of 5 years. She will hold the office till the ensuing Annual General Meeting (AGM) unless appointed by the Shareholders in the AGM. However, she has resigned from the Directorship w.e.f. June 8, 2020 due to her personal reasons. Further, the Company has received a confirmation from Ms. Saha that there was no other reason except as stated above, for her resignation

- c. Mr. Ganesh Chandra Das (DIN: 08608029) was appointed as an Additional Director (designated as Independent Director) of the Company by the Board w.e.f. November 13, 2019 for a consecutive period of 5 years. He will hold the office till the ensuing Annual General Meeting (AGM) unless appointed by the Shareholders in the AGM.
- d. Mr. Navneet Manaksia was re-appointed as a Wholetime Director of the Company w.e.f. January 7, 2020.
- e. Ms. Ritika Agarwal (DIN: 8771261) was appointed as an Additional Director (designated as Independent Director) of the Company by the Board w.e.f. July 28, 2020 for a consecutive period of 5 years to fill up the vacancy caused by the resignation of Ms. Shipra Saha. She will hold the office till the ensuing Annual General Meeting (AGM) unless appointed by the Shareholders in the AGM.

iii) Resignation of Directors:

- a. Dr. Kali Kumar Chaudhuri, Independent Director of the Company, resigned from the Directorship w.e.f. close of business hours on September 21, 2019 due to his personal reasons. Further, the Company has received a confirmation from Dr. Chaudhuri that there was no other reason except as stated above, for his resignation.
- b. Mrs. Smita Khaitan, Women Independent Director of the Company, resigned from the Directorship w.e.f. close of business hours on September 21, 2019 due to her personal reasons. Further, the Company has received a confirmation from Mrs. Khaitan that there was no other reason except as stated above, for her resignation
- c. Mr. Anil Kumar Saboo, Independent Director of the Company, resigned from the Directorship w.e.f. close of business hours on October 4, 2019 due to his personal reasons. Further, the Company has received a confirmation from Mr. Saboo that there was no other reason except as stated above, for his resignation.

iv) Appointment/Resignation of Wholetime- Key Managerial Personnel (KMP):

- a. Ms. Raveena Dugar resigned from the position of Company Secretary and Compliance Officer with effect from 1st July, 2020.
- b. Mr. Bijay Kumar Sahoo resigned from the position of Chief Financial Officer and Compliance Officer with effect from 21st July, 2020.
- c. Mr. Navneet Manaksia was appointed in the position of Chief Financial Officer and Compliance Officer with effect from 21st July, 2020 in the Board Meeting dated 28th July, 2020.
- d. Mr. Varun Agarwal has been appointed in the position of Company Secretary and Compliance Officer with effect from 1st August, 2020 in the Board Meeting dated 28th July, 2020.

DECLARATION BY INDEPENDENT DIRECTORS

In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company conforming that he/she meets the criteria of independence as mentioned under section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, provisions of Corporate Social Responsibility (CSR) became applicable to the Company pursuant to section 135 of the Companies Act, 2013 and the Rules made thereunder. Accordingly the Board has constituted the CSR Committee and approved the CSR policy. Other details of the Committee is mentioned in the Corporate Governance Report forming part of this Board's Report and Annual Report on CSR is attached as Annexure 'E' to this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

AUDITORS AND THEIR REPORTS

(i) Statutory Auditors:

The Statutory Auditors M/s. SRB & Associates, Chartered Accountants, continue to hold office upto the conclusion of the Annual General Meeting (AGM) to be held for the financial year 2020-21.

The Notes to Accounts, as referred in the Auditors Report are self-explanatory and hence does not call for any further explanation.

(ii) Internal Auditor:

The Board had appointed M/s.D S Associates, Chartered Accountants, as Internal Auditors of the Company for the F.Y. 2020-21 as per the provisions of Section 138 of the Companies Act read with Rule 13 of the Companies (Accounts) Rules, 2014. The Internal Auditors have submitted the reports as per their scope of work on quarterly basis to the Audit Committee and Board of Directors of the Company.

(iii) Secretarial Auditor:

The Board had appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretaries, as the Secretarial Auditors of the Company to carry out the Secretarial Audit for the year 2019-20 under the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditor in MR 3 is enclosed as Annexure - 'F' to this Board's Report. The Company has initiated strict and timely compliance with the other applicable laws to the Company as reported by the Secretarial Auditors.

The rest of the report is self-explanatory and hence do not call for any further explanation.

LISTING OF SECURITIES IN STOCK EXCHANGES

The shares of the Company are presently listed at The National Stock Exchange of India Limited and BSE Limited. The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has paid Listing Fees to the Stock Exchanges and the depositories.

DISCLOSURES AS PER APPLICABLE ACT AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**i) Related Party Transactions:**

All contracts/arrangements/transactions entered by the Company with related parties for the year under review were on arm's length basis and in the ordinary course of business and were reviewed by the Audit Committee, and that the provisions of Section 188(1) read with the Companies (Meetings of Board and its Powers) Rules, 2014 are not attracted. Further there are no materially significant related party transactions during the year under review made by the Company which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

All Related Party transactions are placed before the Audit Committee for approval.

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions. The necessary disclosures regarding the transactions are given in the notes to accounts.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website at www.bkmindustries.com and the web link thereto <http://bkmindustries.com/investor-relation/BKM-industries-limited/corporate-policies>

ii) Number of Board Meetings:

The Board of Directors met 4 (four) times in the year 2019-20 i.e. 30.05.2019, 06.08.2019, 13.11.2019 and 13.02.2020. The Directors had passed certain resolutions by circulation on 25.06.2019, 27.08.2019 and 16.12.2019. The details of the Board meeting and attendance of the Directors are provided in the Corporate Governance Report, attached as Annexure to this Board's Report.

iii) Composition of Audit Committee:

The Board has re-constituted the Audit Committee in its meeting held on November 13, 2019 and has appointed Mr. Ganesh Chandra Das, Ms. Jaya Bajpai and Ms. Shipra Saha as members of the Committee with immediate effect and Dr. Kali Kumar Chaudhury and Mrs. Smita Khaitan ceased to be member w.e.f 21st September, 2019 and Mr. Anil Kumar Saboo ceased to be member with effect from 4th October, 2019. The complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

Recommendation by Audit Committee

There were no such instances where the recommendation of Audit Committee has not been accepted by the Board during the financial year under review.

iv) Extracts of Annual Return:

The details forming part of the extract of the Annual Return in MGT-9 as provided under section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as Annexure - 'G'.

v) Risk Analysis:

The Board has developed and implemented a risk management policy identifying therein the elements of risk that may threaten the existence of the Company. The Company has a mechanism that helps the Board to keep an overall watch on the business risks and informs the Board members about

the evaluation, and estimation of the levels of risks involved in a situation, their comparison against benchmarks or standards, and determination of an acceptable level of risk and mitigation plans and periodical reviews are undertaken to ensure that the critical risks are controlled by the executive management.

vi) Internal Financial Control :

The Company has in place adequate internal financial control as required under section 134(5)(e) of the Act and the same was evaluated by the Audit Committee. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed. The statutory auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is provided is annexed with Auditor's Report.

vii) Loans, Guarantees and Investments:

The Company has not given any loan or provided any guarantee.

viii) Post Balance Sheet events:

On occurrence of COVID -19, there was a complete nationwide lock down since 24th March, 2020 and the operation of the Company was jeopardized since then till 17th May, 2020, which marginally affected the sales and profitability in the current financial year under review.

The Company has also suspended manufacturing operations at its plant located at 161/1, Village: Khutli, Via Khanve, Dudhni Road, U.T. of DNH, Silvassa, PIN-396230, with effect from 17th July, 2020 from 6A.M. onwards, due to sluggish demand of the products of the Company.

ix) Evaluation of the Board's Performance:

During the year under review, the Board, in compliance with the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has continued to adopt formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgements, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their separate meeting held on 13th February, 2020.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

x) Nomination, Remuneration and Evaluation Policy:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules made therein and the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (as amended from time to time), the Committee has formulated the Nomination and Remuneration Policy which broadly laid down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company.

The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website at www.bkmindustries.com.

xi) Vigil Mechanism (Whistle Blower Policy):

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

Details of establishment of the Vigil Mechanism have been uploaded on the Company's website: www.bkmindustries.com and also set out in the Corporate Governance Report attached as Annexure to this Board's Report.

xii) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

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



xiii) Fraud Reporting:

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

INDUSTRIAL RELATIONS

The industrial relation during the year 2019-20 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

APPRECIATION

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers and Investors for their continuous support, cooperation and their valuable guidance to the Company and for their trust reposed in the Company's management. The Directors also commend the continuing commitment and dedication of the employees at all levels and the Directors look forward to their continued support in future.

**On behalf of the Board of Directors
For BKM Industries Limited**

Sd/-
Basant Kumar Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Navneet Manaksia
Whole-time Director
DIN: 438612

Place: Kolkata

Date: 28.07.2020

ANNEXURE – ‘A’

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

A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy

- a) Using Energy Star equipment
- b) Became a paperless business
- c) Unplug computers over the weekend
- d) Good insulation
- e) Proper Use of Compressors

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

- a) Embrace natural lighting
- b) Installed Gasifier

(iii) Capital investment on energy conservation equipment

No investment made during the year.

Cumulative investment made till 31.3.2020: Rs. 24,60,150/-

B) TECHNOLOGY ABSORPTION -

(i) Efforts made towards technology absorption:

1. Development of New Products
2. Increasing Level Automation in the Production Side
3. Method Improvements in Manufacturing Process
4. Improvement in safety and reliability of the Plant
5. Upgrading Pollution Control Equipment for Air/Water

(ii) Benefits derived as a result of such efforts:

1. Improvement in productivity
2. Cost Reduction
3. Improvement in Profit
4. Energy Conservation
5. Better quality products

(iii) No fresh technology has been imported during the year

(iv) The expenditure incurred on Research and Development: Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(Rs. In Lakhs)

Total Foreign Exchange Used and Earned	2019-20	2018-19
Earned	19	141.63
Outgo	116	524.25

For BKM Industries Limited

Sd/-

Basant Kumar Agrawal

Chairman cum Managing Director

DIN: 520558

Sd/-

Navneet Manaksia

Whole-time Director

DIN: 438612

Place: Kolkata

Date: 28.07.2020

ANNEXURE – 'B'

CORPORATE GOVERNANCE

In accordance with the Schedule V and Listing Agreements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein referred as the 'Listing Regulations') with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) the report containing the details of Corporate Governance systems and processes at BKM Industries Limited (Formerly Manaksia Industries Limited) are as follows:

(1) Company's Philosophy on Code Of Governance:

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value.

Your Company is committed towards augmenting the value of the Company among its stakeholders and the society as a whole. The Company in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has adopted practice of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at the different levels of the management of the Company.

Your Company is in compliance with the requirements of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

(2) Board Of Directors :

a) The composition and category of Directors:

Sl. No.	Name of the Directors	Category
1	Mr. Basant Kumar Agrawal	Executive Chairman - Managing Director – Promoter (CEO)
2	Mr. Aditya B Manaksia	Executive – Whole-time Director - Promoter
3	Mr. Navneet Manaksia	Executive – Whole-time Director - Promoter
4	Mr. Anil Kumar Saboo*	Non-Executive -Independent Director
5	Dr. Kali Kumar Chaudhuri**	Non-Executive - Independent Director
6	Mrs. Smita Khaitan**	Non-Executive - Woman Independent Director
7	Ms. Jaya Bajpai#	Non-Executive - Woman Independent Director
8	Ms. Shipra Shah##	Non-Executive - Woman Independent Director
9	Mr. Ganesh Chandra Das#	Non-Executive - Independent Director

* Resigned w.e.f. 10.04.2019

** Resigned w.e.f. 21.09.2019

Appointed w.e.f. 13.11.2019

Appointed w.e.f. 13.11.2019 and resigned w.e.f. 08.06.2020

Ms. Jaya Bajpai (DIN: 08603368) was appointed as an Additional Directors (Independent Director) of the Company w.e.f. 13th November, 2019 by the Board, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

Ms. Shipra Shah (DIN: 08603410) was appointed as an Additional Directors (Independent Director) of the Company w.e.f. 13th November, 2019 by the Board, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

Ms. Shipra Shah resigned from the Board of the Company with effect from 08th June, 2020 due to her personal reasons. The Board appreciate her contributions towards the Board and the Company as a whole.

Mr. Ganesh Chandra Das (DIN: 08603410) was appointed as an Additional Directors (Independent Director) of the Company w.e.f. 13th November, 2019 by the Board, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.

The Board comprises of Executive and Non-Executive Directors including Independent Directors in conformity with the requirements of the Companies Act, 2013 & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors (IDs) of the Company are not promoter or related to promoters of the Company or its holding, subsidiary or associate Company and have the requisite qualifications and experience which they would continue to contribute for the benefit to the Company. They

do not have any pecuniary relationship/transaction or holds position of KMP or have voting power, etc. and meets all other criteria of being Independent as provided in the Companies Act, 2013 (hereinafter referred to as 'Act') and the Listing Regulations. The appointment letters issued to the Independent Directors, inter alia contains their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

They have taken active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors/Committees.

The Company in accordance with applicable clauses of Listing Regulations, familiarizes new Independent Directors (IDs) about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programs posted on the website of the Company at www.bkmindustries.com and keep updating the same.

None of the Directors held Directorship in more than 10 Public Limited Companies and/or were members of more than 10 Committees or acted as Chairperson of more than 5 Committees across all Public Limited Companies in which they are Directors.

In terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended w.e.f 1st April, 2019, none of the Directors of the Company held Directorships in more than 8 (Eight) Listed Entities and none of the Independent Directors of the Company held Directorship in 7 (Seven) Listed Entities.

The Managing Director does not serve as Independent Director in any other listed Company.

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

b) Number of Board meetings held and dates on which held

During the financial year 2019-20, 4 (Four) Board meetings were held on 30th May, 2019, 6th August, 2019, 13th November, 2019 and 13th February, 2020. Besides, the Members of the Board passed several resolutions by circulation on 25.06.2019, 27.08.2019 and 16.12.2019. The gap between any two consecutive meetings did not exceed one hundred and twenty days in terms of the Listing Regulations, Secretarial Standards and the Companies Act, 2013.

c) Attendance of each Director at the Board meetings and the Last Annual general meeting (AGM) and also number of other Directorships/ Membership of Committee of each Director in various Companies:

Category	Name of the Directors	Attendance Particulars		No. of other Directorship and committee memberships/ chairmanships held #		
		Board Meetings	Last AGM	Other Directorship##	Committee Membership	Committee Chairmanship
Executive Managing Director	Mr. Basant Kumar Agrawal	3	Yes	NIL	2	NIL
Wholetime Director	Mr. Aditya B Manaksia	4	Yes	NIL	NIL	NIL
Wholetime Director	Mr. Navneet Manaksia	4	Yes	NIL	1	NIL
Independent Director	Mr. Anil Kumar Saboo*	2	No	1	1	NIL
Independent Director	Mrs. Smita Khaitan**	2	Yes	3	5	4
Independent Director	Dr. Kali Kumar Chaudhuri**	2	Yes	4	7	2
Independent Director	Ms. Jaya Bajpai***	2	NA	-	1	-
Independent Director	Ms. Shipra Shah***	2	NA	-	-	-
Independent Director	Mr. Ganesh Chandra Das***	2	NA	-	2	2

* Mr. Anil Kumar Saboo, Non-Executive Independent Directors, resigned from the office of Directors of the Company w.e.f. October 4, 2019.

** Mr. Kali Kumar Chaudhuri and Mrs. Smita Khaitan and Mr. Anil Kumar Saboo, Non-Executive Independent Directors, resigned from the office of Directors of the Company w.e.f. September 21, 2019.

*** Mr. Ganesh Chandra Das, Ms. Jaya Bajpai and Ms. Shipra Shah were appointed on 13.11.2019.

Membership & Chairmanship of the Audit Committee & Stakeholders Relationship Committees are only considered.

excluding Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013

Separate Meeting of the Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and in terms of Regulation 25(3) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has facilitated holding of a separate meeting of the Independent Directors, which was held on 13th February, 2020 and inter alia has reviewed :-

- i. the performance of non-independent Directors and the Board as a whole;
- ii. the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors; and
- iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

d) Disclosure of relationship between the Directors inter se :

The disclosure of relationships between Directors inter se is as follows:

Name of Directors	Name of Other Director	Name of Relationship
Mr. Basant Kumar Agrawal	Mr. Aditya B Manaksia	Son
	Mr. Navneet Manaksia	Son
Mr. Aditya B Manaksia	Mr. Basant Kumar Agrawal	Father
	Mr. Navneet Manaksia	Brother
Mr. Navneet Manaksia	Mr. Basant Kumar Agrawal	Father
	Mr. Aditya B Manaksia	Brother

Note: No other Directors in the Board are related to each other

e) Shares and Convertible Instruments held by Non-Executive Directors

Sl. No.	Name of the Directors	No. of Shares
1	Ms. Jaya Bajpai	Nil
2	Ms. Shipra Shah	Nil
3	Mr. Ganesh Chandra Das	Nil

f) Board Committees, Meetings and Procedures:

The Board is entrusted with the responsibility of looking after work of the management and performance of the Company. The Board of Directors of the Company oversees the overall functioning of the Company. The Directors plays a fiduciary role in reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, so as to ensure that Board act in good faith, with due diligence and care, and in the best interest of the shareholders .The Whole-time Director and promoter Directors are entrusted with wide range of functions from operation, marketing & administration and duly assisted by the Chief Executive Officer, Company Secretary including Senior Managerial Personnel in overseeing the functional matters of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served.

The Board has constituted Four Standing Committees to look after the operation of the Company within a given framework, namely, Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee & Corporate Social Responsibility Committee. A strategy meet of the Board of Directors is generally held at appropriate intervals to formulate, evaluate and approve the business strategy of the Company. The meeting focuses on strategic goals, financial management policies, management assurances and control aspects and the growth plan of the Company and compliance management.

The meetings are usually held at the Company's Registered Office at Bikaner Building, 3rdFloor 8/1, Lal Bazaar Street Kolkata, Kolkata – 700 001. A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors along with the agenda items and necessary documents & information were provided to all Directors beforehand to make able the Board of Directors to take proper decision. The Board is also provided with Audit Committee observations on the internal audit findings and matters required to be included in the Director's Responsibility Statement. The Company Secretary is the Secretary to all the above Committees of the Board.

Expertise & Skills of the Board of Directors

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

The Board members of the Company are holding such skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees.

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

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

g) Familiarization Programme imparted to Independent Directors

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

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

As required under Regulation 25 of the Listing Regulations, the Company held various familiarization programmes for the Independent Directors throughout the year on regular basis with a view to familiarising the independent directors with the Company's operations. The familiarization programmes carried out during the year include:-

1. Presentations made by business and functional heads of the Company from time to time on different functions and areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and SEBI LODR Regulations.

The familiarization programme of the Company for its Independent Directors has been disclosed on the Company's website: www.bkmindustries.com

(3) Committees of The Board:

The Committees of the Board functions according to their respective charter i.e. terms of reference framed by the Board that defines composition, scope, powers and roles of the Committees in accordance with the requirements of the Companies Act, 2013 and the Rules made thereunder together with the Listing Regulations. The Board has the following 4 (four) Committees during the year 2019-20:

I. Audit Committee:

The Audit Committee is entrusted with review of quarterly and annual financial statements before submission to the Board, management

discussion and analysis of financial condition and results of operations, review of observations of auditors, ensure compliance of internal control systems etc. The detailed terms of reference of the Audit Committee are as follows:

a. The terms of reference of the Audit Committee:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where here is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial information and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such other matters as referred to it by the Board from time to time.

b. Composition of the Audit Committee, its Meeting and Attendance:

All the members of the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls. The Board has re-constituted the Audit Committee in its meeting held on November 13, 2019.

During the year ended on 31st March, 2020, 4 (Four) meetings of the Audit Committee were held on 30.05.2019, 06.08.2019, 13.11.2019 and 13.02.2020.

The Members of Audit Committee as on 31st March, 2020 and attendance details of each member at the Audit Committee meetings held during the Year 2019-20 are given below:

Name of Directors	Category	Position in the Committee	Number of meeting attended
Dr. Kali Kumar Chaudhuri (resigned w.e.f. 21.09.2019)	Non-Executive- Independent Director	Chairperson	2
Mr. Anil Kumar Saboo (resigned w.e.f. 04.10.2019)	Non-Executive Independent Director	Member	2
Mrs. Smita Khaitan (resigned w.e.f. 21.09.2019)	Non-Executive Independent Director	Member	2
Mr. Ganesh Chandra Das (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Chairperson	2
Ms. Jaya Bajpai (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Member	2
Ms. Shipra Shah (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Member	2

The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The Audit Committee Meetings are usually attended by members of the Committee and the Chief Financial Officer of the Company. Representative of the Statutory Auditors and Internal Auditors are also invited in the meeting as and when required.

II. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee was constituted on 8th November, 2014 and was last re-constituted on 13th November, 2019. The detailed terms of reference of the Committee are as follows:

- a. The terms of reference of the Nomination & Remuneration Committee:
 - i. To formulate the criteria for determining qualifications, positive attributes and independence of To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend to the Board their appointment, terms of appointment and/or removal;
 - ii. To formulate a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of Independent Directors and the Board;
 - iii. To evaluate every Directors performance;
 - iv. To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
 - v. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - vi. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
 - vii. To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;

- viii. To devise a policy on Board diversity.
- ix. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board their appointment and removal.
- x. To ensure whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- xi. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- xii. To carry out any other function as is mandated by the Board of Directors of our Company or prescribed by the Listing Agreement, as amended, from time to time.
- xiii. To invite any employee or such document as it may deem fit for exercising of its functions
- xiv. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

b. Composition of the Nomination & Remuneration Committee, its Meeting and Attendance:

The Nomination & Remuneration Committee comprises of three Non-executive Independent Directors.

During the year ended on 31st March, 2020, 2 (two) meeting of the Nomination & Remuneration Committee was held on 6th August, 2019 and 13th February, 2020.

The Members of Nomination & Remuneration Committee as on 31st March, 2019 and attendance details of each member at the Nomination & Remuneration Committee meetings held during the Year 2018-19 are given below:

Name of Directors	Category	Position in the Committee	Number of meeting attended
Dr. Kali Kumar Chaudhuri (resigned w.e.f. 21.09.2019)	Non-Executive- Independent Director	Chairperson	1
Mr. Anil Kumar Saboo (resigned w.e.f. 04.10.2019)	Non-Executive -Independent Director	Member	1
Mrs. Smita Khaitan (resigned w.e.f. 21.09.2019)	Non-Executive Independent Director	Member	1
Mr. Ganesh Chandra Das (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Chairperson	1
Ms. Jaya Bajpai (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Member	1
Ms. Shipra Shah (appointed w.e.f. 13.11.2019)	Non-Executive- Independent Director	Member	1

The Company Secretary of the Company, acts as the Secretary to the Nomination & Remuneration Committee.

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

Performance Evaluation:

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The objective of the board evaluation includes improvement in the effectiveness of board, Committees and individual Directors, to enhance their strengths and to overcome the short comings, the evaluation process focuses on various issues facing the Company and their prioritization, quality of deliberations at board and Committee meetings, review of specific issues of importance dealt during the evaluation period.

The process of Board Evaluation broadly comprises of following:

- ◆ The board evaluates the performance of the Independent Directors excluding the Directors being evaluated.
- ◆ The Nomination and Remuneration Committee evaluates the performance of each Director with respect to the responsibility as entrusted on him/her.
- ◆ The Independent Directors evaluates the performance of the Non- Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- ◆ Performance Evaluation of the various Committee of the Board.

c. Performance evaluation criteria for Independent Directors :

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

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

d. Remuneration to Directors:

Presently, the Non-Executive Directors do not receive any remuneration from the Company. Only the sitting fees for attending the meetings of the Board and its Committees are paid to the Non-executive Directors and the same is within the limits prescribed under the Companies Act, 2013.

The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.

Details of remuneration paid to the Directors in the financial year 2019-20

The Statement of the remuneration paid/ payable to the Managing / Whole time Directors/ Executive Directors and Sitting fees paid /payable to the Non-Executive Directors is given below:

Name of the Directors	Remuneration paid/payable for the year 2019-20			Service Contract	
	Salary (Rs.) Basic (Year)	Benefits (Rs.) (Year)	Sitting Fees (Rs.)	Period	Effective from
Mr. Basant Kumar Agrawal	84,00,000	Rent free Accommodation Rs. 7,20,000	Nil	3 Years	23.11.2017
Mr. Aditya B Manaksia	63,00,000	Rent free Accommodation Rs. 7,20,000	Nil	3 Years	17.11.2017
Mr. Navneet Manaksia	54,00,000	-	Nil	3 Years	07.01.2017
Mrs. Smita Khaitan (resigned w.e.f. 21.09.2019)	-	-	38,000	5 Years	17.11.2014
Dr. Kali Kumar Chaudhuri (resigned w.e.f. 21.09.2019)	-	-	35,000	5 Years	17.11.2014
Mr. Anil Kumar Saboo (resigned w.e.f. 04.10.2019)	-	-	36,000	5 Years	27.12.2018
Mr. Ganesh Chandra Das (appointed on 13.11.2019)	-	-	39,000	5 Years	13.11.2019
Ms. Jaya Bajpai (appointed on 13.11.2019)	-	-	35,000	5 Years	13.11.2019
Ms. Shipra Shah (appointed on 13.11.2019)	-	-	21,000	5 Years	13.11.2019

The Notice period for the executive Directors is 3 months or payment in lieu thereof by the either parties.

III. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was duly constituted. The detailed terms of reference of the Committee are as follows:

a. Term of Reference of Stakeholders Relationship Committee:

1. To redress shareholder and investor complaints like transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends, interests, etc;
2. To refer to statutory and regulatory authorities regarding investor grievances;
3. To ensure proper and timely attendance and redressal of investor queries and grievances;
4. To oversee the performance of Registrar and Transfer Agent;
5. To approve the request for transfer, transmission, etc. of shares
6. To approve the dematerialization of shares and rematerialisation of shares, splitting and consolidation of Equity Shares and other securities issued by our Company.
7. To review of cases for refusal of transfer / transmission of shares and/or any other securities as may be issued by the Company from time to time, if any;
8. To review from time to time overall working of the secretarial department of our Company.
9. To look after the matters relating to the shares of our Company and functioning of the share transfer agent and other related matters.
10. To consider and approve issue of duplicate / split / consolidated share certificates;
11. To issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
12. such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the committee.

b. Composition of the Stakeholders Relationship Committee, its Meeting and Attendance:

The stakeholders Relationship Committee is comprised of One Non-executive Independent Director and Two Executive Directors.

During the year ended on 31st March, 2020, 4 (Four) meeting of the Stakeholders Relationship Committee were held on 30.05.2019, 06.08.2019, 13.11.2019 and 13.02.2020.

The Members of Stakeholders Relationship Committee as on 31st March, 2019 and attendance details of each member at the Stakeholders Relationship Committee meetings held during the Year 2018-19 are given below:

Name of Directors	Category	Position in the Committee	No. of Meeting attended
Mrs. Smita Khaitan* (resigned w.e.f. 21.09.2019)	Non-Executive Independent Director	Chairman	2
Mr. Ganesh Chandra Das (appointed on 13.11.2019)	Non-Executive Independent Director	Chairman	2
Mr. Basant Kumar Agrawal	Executive Chairman	Member	3
Mr. Navneet Manaksia	Executive Director – Whole-time Director	Member	4

The Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

c. Compliance Officer:

Ms. Raveena Dugar, Company Secretary of the Company was the Compliance Officer for complying with the requirements of Securities Laws and Listing Regulations.

d. Shareholders' Complaints:

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

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

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

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

IV. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee was constituted on 9th September, 2017. The detailed terms of reference of CSR Committee are as follows:

a. Term of Reference of Corporate Social Responsibility Committee:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- To monitor the implementation of the framed CSR Policy.
- To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.
- To carry out such other functions as may from time to time, as may be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case may be, to be attended by this Committee.

b. Composition of the CSR Committee, its Meeting and Attendance:

The CSR Committee is comprised of One Non-executive Independent Director and Three Executive Directors.

During the year ended on 31st March, 2020, 2 (two) meeting of the CSR Committee were held on 30.05.2019 and 13.02.2020.

The Members of CSR Committee as on 31st March, 2020 and attendance details of each member at the CSR Committee meetings held during the Year 2019-20 are given below:

Name of Directors	Category	Position in the Committee	No. of Meeting attended
Mr. Basant Kumar Agrawal	Executive – Managing Director	Chairperson	2
Mr. Navneet Manaksia	Executive Director – Whole-time Director	Member	2
Mr. Aditya B Manaksia	Executive Director – Whole-time Director	Member	2
Mrs. Smita Khaitan (resigned w.e.f. 21.09.2019)	Non-Executive Independent Director	Member	1
Mr. Ganesh Chandra Das (appointed on 13.11.2019)	Non-Executive Independent Director	Member	1

The Company Secretary of the Company acts as the Secretary to the CSR Committee.

(4) General Body Meetings:

(a) Date, Time and Venue where last three Annual General Meeting held:

Year	Date & Time	Venue	If Special Resolution(s) Passed
2018-19	20th September, 2019, 11:30 AM	Gyan Manch, 11 Pretoria Street, Kolkata - 700071	Yes
2017-18	7th September, 2018, 2:30 P.M	Rotary Sadan, 94/2 Chowringhee Road, Kolkata - 700020	Yes
2016-17	18th September, 2017, 3:00P.M	Rotary Sadan, 94/2 Chowringhee Road, Kolkata - 700020	Yes

(b) No Special Resolution was passed through postal ballot in financial year 2019-20

(c) No special resolution proposed to be conducted through Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder.

(5) Means of Communication :

The un-audited / audited quarterly financial results along with limited review report/ audit report by the Auditors in the prescribed format are taken on record by the Board of Director at its meeting within the prescribed time of the close of every quarter and the same are furnished to the stock Exchanges where the Company's shares are listed. The results are also published within 48 hours of conclusion of Board Meeting in the Business Standard in English and Ekdin in Bengali. The financial results are also displayed on the Company's website: www.bkmindustries.com.

The Company's website display official news releases as and when occurred. Further, no presentation has been made to Institutional Investors or Analysts.

(6) General Information For Shareholders :

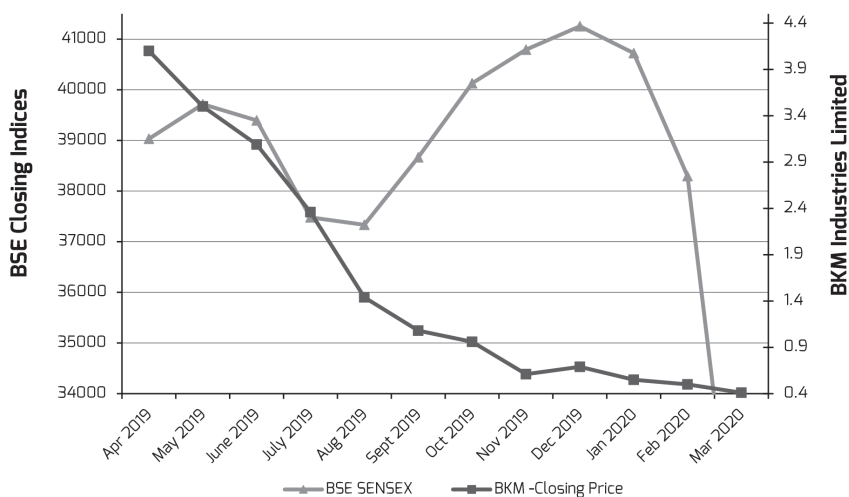
- a. **Annual General Meeting** : **Date:** 24th September, 2020
 (Date, Time & Venue) **Time:** 11:30 P.M
Venue: Deemed to be the Registered office of the Company
- b. **Financial year** : 1st April 2019 to 31st March 2020
- c. **Dividend payment date** : Not Applicable
- d. **Date of Book closure** : 18th September, 2020 to 24th September, 2020 (both days inclusive)
- e. **Listing Details** : Shares of your Company are listed on BSE Limited, Mumbai and The National Stock Exchange of India Ltd., Mumbai.
 The name and addresses of the respective Stock Exchanges and the Company's Stock Code are given below:
BSE Limited (BSE)
 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
 (Scrip Code No.: 539043)
The National Stock Exchange of India Ltd. (NSE)
 Exchange Plaza, 5th Floor, Plot No. C/1, Block 'G',
 Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
 (Scrip Code : BKMINDST)
 No listing fees are due as on date to both NSE and BSE.
- f. **Stock Market Price Data** : Monthly High/Low price during the last Financial Year at the BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) depicting liquidity of the Equity Shares are given hereunder:

Month	BSE Limited (BSE)			National Stock Exchange of India Ltd (NSE)		
	High (Rs.)	Low (Rs.)	Total Number of Shares Traded	High (Rs.)	Low (Rs.)	Total Number of Shares Traded
April, 2019	5.77	4.02	45,897	6.00	4.40	1,03,567
May, 2019	4.30	3.50	34,850	4.65	3.90	16,55,483
June, 2019	3.93	2.81	39,286	3.85	2.85	6,60,368
July, 2019	3.00	2.31	32,234	2.90	2.05	1,97,222
August, 2019	2.25	1.44	10,331	2.00	1.30	1,44,352
September, 2019	1.49	0.98	64,188	1.30	0.90	17,53,660
October, 2019	1.03	0.89	22,278	1.00	0.75	2,07,031
November, 2019	0.99	0.57	11,30,716	0.95	0.55	54,04,807
December, 2019	0.64	0.64	84,237	0.90	0.65	20,01,745
January, 2020	0.66	0.53	1,11,054	0.70	0.55	8,83,350
February, 2020	0.53	0.41	3,68,562	0.55	0.45	2,44,487
March, 2020	0.55	0.41	18,297	0.45	0.35	6,57,436

g. **Share price performance in comparison to BSE Sensex for the financial year 2019-20**

Month	BSE SENSEX (Closing)	Monthly Closing Price at BSE
April, 2019	39,031.55	4.10
May, 2019	39,714.20	3.50
June, 2019	39,394.64	3.09
July, 2019	37,481.12	2.36
August, 2019	37,332.79	1.44
September, 2019	38,667.33	1.08
October, 2019	40,129.05	0.96
November, 2019	40,793.81	0.61
December, 2019	41,253.74	0.69
January, 2020	40,723.49	0.55
February, 2020	38,297.29	0.50
March, 2020	29,468.49	0.41

Graphical presentation of the comparison:



h. **Registrar and Share Transfer Agent** : Link Intime India Pvt. Ltd
 Room Nos. 502 & 503, 5th Floor, Vaishno Chamber
 6, Brabourne Road, Kolkata - 700 017
 Phone No.: (033) 4004 9728/4073 1698
 Fax: (033) 4073 1698
 E-mail: kolkata@linkintime.co.in
 Website: www.linkintime.co.in

i. **Share Transfer System** : Share Transfer System is entrusted to the Registrar and Share Transfer Agents. The Share Transfer Committee is empowered to approve the Share transfers. Transfer Committee Meeting is held as and when required. The Share transfer, transmission of shares, Issue of duplicate certificate, etc. is endorsed by Directors/Executives/ Officers as may be authorised by the Transfer Committee. Requests for transfers received from members and miscellaneous correspondence are processed/ resolved by the Registrars within stipulated time.

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

No. of Ordinary Shares held	No. of Shares	% of Shares	No. of shareholders/ folios	% Shareholders/ folios
Up to 500	1914436	2.9213	19456	91.7433
501 to 1,000	556322	0.8489	668	3.1499
1,001 to 2,000	595537	0.9087	378	1.7824
2,001 to 3,000	385042	0.5875	149	0.7026
3,001 to 4,000	318245	0.4856	88	0.415
4,001 to 5,000	445926	0.6804	94	0.4432
5,001 to 10,000	1045480	1.5953	132	0.6224
10,001 and above	60273062	91.9721	242	1.1411
Total	6,55,34,050	100.0000	21,207	100.0000

k. Shareholding Pattern as on 31st March, 2020:

Sl. No.	Category	No. of Shares	% of Shareholdings
1	Promoters Group	34652535	52.88
2	Public	12685756	19.36
3	Nationalised Banks	6554461	10.00
4	Hindu Undivided Family	783703	1.20
5	Other Bodies Corporate	10357947	15.81
6	Non Resident Indians	251305	0.38
7	Non Resident (Non Repatriable)	220713	0.33
8	Trusts	-	-
9	Clearing Members	27630	0.04
10	TOTAL	6,55,34,050	100

- l. Dematerialization of Shares** : ISIN: INE831Q01016
As on 31st March, 2020 the equity shares stand dematerialized/ Physical as follows;
Physical: 1,030 equity shares
CDSL: 2,20,19,879 equity shares (33.60%)
NSDL: 4,35,13,141 equity shares (66.40%)

- m. Outstanding Instruments** : The Company has not issued any GDRs/ADRs/warrants or any convertible instruments. As such there is no impact on Equity Shares of the Company.

- n. Commodity Price Risk/ Foreign Exchange Risk and Hedging activities** : Commodity Price risk & foreign exchange are as per Market fluctuation and Company has no hedging activities.

- o. Plant Location** : Manufacturing units as on 31.03.2020

1	Survey No. 161/2, Village - Khultli, Khanvel - Dudhni Road, Near Khanvel, Silvassa - 396230, U.T. Dadra & Nagar Haveli
2	Brahmanpara, P.S. Haripal, Dist. Hooghly - 712403
3	4, Garden Reach Road, North Workshop, Slipway No. 3, Khidirpore, Panbazar, Kolkata - 700023

- p. Address for correspondence** : BKM Industries Limited
Bikaner Building, 3rd Floor
8/1, Lal Bazar Street, Kolkata - 700 001
Phone No.: 033 - 2243 5053
Fax: 033 - 2230 0336
Email id: secretarial@bkmindustries.com

- q. Contact Person** : Ms. Raveena Dugar, Company Secretary

- r. List of Credit Ratings Obtained** : NA

(7) Other Disclosures:

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

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

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website at [www.bkmindustries.com](http://bkmindustries.com) and the web link thereto <http://bkmindustries.com/investor-relation/BKM-industries-limited/corporate-police>.

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

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority related to the capital markets during last three years.

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last three years.

- c. Vigil Mechanism / Whistle Blower Policy :**

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

The Company has not denied access to Audit Committee to any personnel of the Company.

- d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :**

The Company has complied with all the applicable mandatory requirements of all the applicable Regulations of SEBI (LODR) Regulations, 2015 and status of adoption of the non-mandatory/discretionary requirements of Part E of Schedule II of the Listing Regulations forms part of this report.

- e. Reporting of Internal Auditor:**

The Internal Auditors reports directly to the Audit Committee.

- f. Accounting Treatment in preparation of financial statement :**

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

- g. Policy for determining 'material' subsidiaries :**

A subsidiary shall be considered as material if its income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Euroasian Ventures FZE is the foreign material subsidiary of the Company.

The Board and the Audit Committee reviews the financial statements of subsidiary companies and the minutes of the subsidiary companies are placed at the Board meetings of the Company. The statement containing all significant transactions and arrangements entered into by subsidiary companies, as and when required, is placed before the Board.

The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the erstwhile Equity Listing Agreement and the Listing Regulations, 2015 and the same is displayed on the website of the Company. The web link is <http://bkmindustries.com/investor-relation/BKM-industries-limited/corporate-policies>.

- h. Web link where policy on dealing with related party transactions :**

Policy on dealing with related party transaction is displayed at the website of the Company www.bkmindustries.com

- i. Disclosures of commodity price risks and commodity hedging activities :**

The Company is not associated with hedging activities.

- j. CEO / CFO certification :**

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

k. Fees of statutory auditors on a consolidated basis paid by the Company and its subsidiaries:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor M/s SRB & Associates (Firm Registration No. 310009E), Chartered Accountants was Rs. 17.00 Lakhs inclusive of tax (Rupees Seventeen Lakhs only). M/s SRB & Associates is not a part of any entity/firm which is in the same network of the Company.

l. Certificate from Company Secretary in practice:

As required under the provisions of Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in Practice have been received stating that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

m. Details of material changes affecting the financial position of the company :

The manufacturing units of the Company at Hyderabad, Bankura and Silvassa were under suspension due to labour unrest/sluggish demand of the products of the Company resulting into sizable decline in total revenue vis-à-vis profitability of the company.

The management has reviewed the recoverability of its inventories in hand based on technical evaluation and has written down its inventories as obsolete stock (unfit for human consumption as per FASSAI) by Rs. 1,797 lakhs.

n. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (Permanent/Contractual/Temporary/Trainees) are covered under this policy. The policy is gender neutral. During the year under review, no Complaints with allegations of Sexual Harassment were received by the Company.

(8) Disclosure of the extent to which the Discretionary Requirements as specified in Part E of Schedule II have been adopted

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

(9) Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account:

The Company has opened a separate demat account in the name of "Manaksia Industries Limited-Suspense Account" in order to credit the unclaimed shares of the FPO of Manaksia Limited which could not be allotted to the rightful shareholders due to insufficient/incorrect information or for any other reason. The Voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares. In terms of requirement of Listing Regulations, the details of shares lying in the aforesaid demat account are as:

Particulars	No. of Shares	No. of shareholders
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2019	3149	36
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2020	3149	36

Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., shall also be credited to aforesaid suspense account. Shareholders who have yet not claimed their shares are requested to immediately approach the Company/Registrar and Share Transfer Agent of the Company along with documentary evidence, if any.

(10) Declaration by Chief Executive Officer with Respect Affirmation on Compliance with Code of Conduct:

The Company has framed Code of Conduct for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company who have affirmed compliance with the same as on 31st March, 2020. The Code is displayed on the Company's website: www.bkmindustries.com. A declaration signed by the Managing Director & CEO to this effect forms part of this Report.

(11) COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE FROM PRACTISING COMPANY SECRETARIES :

The Company has received a Certificate annexed to this report, from Mr. Santosh Kumar Tibrewalla, Practising Company Secretary, certifying compliances with the provisions relating to the Corporate Governance as stipulated in the Listing Regulations.

(12) DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS AS DETAILED ABOVE, WITH REASONS THEREOF

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

(13) DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB – REGULATION (2) OF REGULATION (46)

The Company is in compliance with the requirements of aforesaid Regulations.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

[In terms of Regulation 17(B) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors,
 M/s. BKM Industries Ltd.

Dear Sirs,

In terms of Regulation 17(B) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Basant Kumar Agrawal, Chairman cum Managing Director and Mr. Navneet Manaksia, Chief Financial Officer, of the Company, certify that:

- a) We have reviewed financial statements and the cash flow statements of the Company for the quarter and year ended 31st March, 2020 and that to the best of our knowledge and belief
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2019-20 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee:
 - (i) Significant changes, if any, in internal control over financial reporting during the year.
 - (ii) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For BKM Industries Limited

Sd/-

Basant Kumar Agrawal

Chairman cum Managing Director

DIN: 00520558

For BKM Industries Limited

Sd/-

Navneet Manaksia

Chief Financial Officer

Date: 28.07.2020

Place: Kolkata

DECLARATION BY CHIEF EXECUTIVE OFFICER FOR COMPLIANCE WITH THE CODE OF CONDUCT

I, Basant Kumar Agrawal, Chairman cum Managing Director (CEO) of M/s. BKM Industries Limited in terms of Regulation 26(3) read with Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 declare that as of 31st March, 2020 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

For BKM Industries Limited

Sd/-

Basant Kumar Agrawal

Chairman cum Managing Director (CEO)

DIN: 520558

Place: Kolkata

Date: 28.07.2020



SANTOSH KUMAR TIBREWALLA
B.Com.(Hons.), LL.B., FCS
Practicing Company Secretary

5A, N.C. Dutta Sarani
(Formerly Clive Ghat Street)
3rd Floor, Kolkata – 700 001
Phone: 2262-8200/ 4005 4842
Email: santibrewalla@rediffmail.com

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
M/S. BKM INDUSTRIES LTD.
Bikaner Building, 3rd Floor,
8/1, Lal Bazar Street,
Kolkata – 700 001

I have examined the Compliance of Corporate Governance of M/s. BKM Industries Limited for the financial year 2019-20, as stipulated under applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the said Company with the Stock Exchanges.

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

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

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

Signature :
Name of Company : Sd/-
Secretary in practice : Santosh Kumar Tibrewalla
FCS No. : 3811
C P No. : 3982
UDIN : F003811B00054532196

Place: Kolkata
Date: 28.07.2020

ANNEXURE – ‘C’
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020
Statement containing salient features of the financial statement of subsidiaries companies (Form AOC-1)
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

SR. No.	Name of the Subsidiary	FY since when subsidiary was acquired	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus (Losses)/ Gains	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation Gains/ (Losses)	Provision for tax	Profit After Taxation Gains/ (Losses)	Proposed Dividend	% of Shareholding
1	Euroasian Ventures FZE	2005-06	1st April to 31st March	AED	AED 1 = 0.05 INR	5,136	10,586	22,151	6,430	7,068	10	(35)	-	(35)	-	100.00%
2	Euroasian Steels LLC	2008-09		GEL	GEL 1 = 0.04 INR	4,161	(2,953)	9,564	8,355	-	-	-	-	-	-	88.00%
3	Glitter Agencies Private Limited	2016-17		INR	-	499	(84)	1,439	1,024	-	8	(20)	-	(20)	-	100.00%
4	Jivaniyoti Vaniya Private Limited	2016-17		INR	-	499	(97)	1,628	1,225	-	8	(25)	-	(25)	-	100.00%
5	B K Manakisa Nigeria Limited	2017-18		NAIRA	NAIRA 1 = 4.78 INR	84	(27)	3,700	3,644	-	-	(7)	-	(7)	-	100.00%
6	BKM Agrotech Private Limited	2018-19		INR	-	1	(1)	-	-	-	-	(1)	-	(1)	-	100.00%

Amount (INR in Lakhs)

ANNEXURE – ‘D’

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

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20 (hereinafter referred to as ‘year’) and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year are as under:

(Rs. in lakhs)

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for year including Perquisites	% increase in Remuneration in the year	Ratio of remuneration of each Director/ to median remuneration of employees for the year
1	Mr. Basant Kumar Agrawal, Managing Director	84.00	-	38.61 : 1
2	Mr. Aditya B. Manaksia, Wholetime Director	63.00	-	24.82:1
3	Mr. Navneet Manaksia, Wholetime Director	54.00	-	24.82 : 1
4	Raveena Dugar*, Company Secretary	0.23	Not Applicable	Not Applicable
5	Mr. Bijay Kumar Sahoo**, Chief Financial officer	13.00	Not Applicable	Not Applicable

* Ms. Raveena Dugar resigned from Company Secretary w.e.f. 30th June, 2020

** Mr. Bijay Kumar Sahoo resigned from Chief Financial officer w.e.f. 21st July, 2020.

Note:

- i. No other Director other than the Executive Directors received any remuneration other than sitting fees during the financial year 2019-20.
- ii. The median remuneration of employees of the Company during the year was Rs. 217557 compared to Rs. 170345 in the last financial year.
- iii. In the year, there was an increase of 27.72 % in the median remuneration of employees;
- iv. There were 60 permanent employees on the rolls of Company as on March 31, 2019 including about 4 female employees.
- v. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2020 was as per the Remuneration Policy of the Company.

STATEMENT PURSUANT TO RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

A. List of top ten employees in terms of remuneration drawn :

Sl. No.	Name of Employees	Designation of the employee	Remuneration drawn during the financial year 2019-20 (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications	Date of commencement of employment	Age	Last employment held before joining the Company	% of equity shares held in the Company	Whether relative of any Director or Manager of the Company and if so, name of such Director or Manager
1	Gautam Dutta	G.M.- Marketing	1099230	Permanent	MBA	04/06/2009	45	NA	-	No
2	Reji Chacko	G.M.- North	810334	Permanent	M.Sc.	01/07/1990	53	NA	-	No
3	N V Karanth	Executive	612868	Permanent	Graduate	15/10/1986	57	NA	-	No
4	Somenath Basak	Executive	544158	Permanent	Graduate	01/08/1999	45	NA	-	No
5	L N Wahie	Manager	514635	Permanent	Graduate	29/04/1986	61	NA	-	No
6	Jayesh Hada	Manager	493432	Permanent	Graduate	01/06/2017	55	NA	-	No
7	Ratanlal Dhiman	Maint. Incharge	417351	Permanent	Graduate	01/09/2012	56	NA	-	No
8	Nirmal Kumar Dhara	Chemist	391442	Permanent	H.S.	11/07/2002	46	NA	-	No
9	Kamala Shankar Tewari	Executive	390837	Permanent	H.S.	01/04/2013	68	NA	-	No
10	Brij Kishore Singh	Staff	328893	Permanent	H.S.	01/04/2009	42	NA	-	No

- B. List of employees drawing a remuneration not less than Rs.102.00 lakhs per annum or Rs.8.50 lakhs per month, if employed for part of the year :
No employee in the Company has drawn remuneration falling under this category.
- C. There is no employee in employment throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Executive Chairman or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.
- D. There is no employee posted and working outside India not being directors or their relatives, drawing more than sixty lakhs rupees per financial year or five lakhs rupees per month

ANNEXURE – ‘E’

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

The Company acknowledges its responsibility towards society and economy and accordingly it has decided to carry out programs, projects and activities (collectively known as "CSR Activities") towards achieving social goals like education, health, sanitation, clean & pollution-free environment, livelihood opportunities, etc. to enable the people to deliver their best.

The Company on recommendation of its CSR Committee has laid down a "Corporate Social Responsibility (CSR) Policy", in concurrence with the provisions specified in the Companies Act, 2013 and Rules made thereunder and the same has been uploaded to the website of the Company at <http://bkmindustries.com/investor-relation/BKM-industries-limited/corporate-policies>.

2. The Composition of the CSR Committee:

Names of the Director	Designation in Committee	Nature of Directorship
Mr. Basant Kumar Agrawal	Chairman	Chairman cum Managing Director
Mr. Navneet Manaksia	Member	Whole time Director
Mr. Aditya B Manaksia	Member	Whole time Director
Mr. Ganesh Chandra Das	Member	Independent Director

3. Average net profit of the Company for last three financial years i.e. 2019-20, 2018-19 and 2017-18: NA

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): NA

5. Details of CSR spent during the financial year

- (a) Total amount to be spent for the financial year 2019-20 : NA
 (b) Amount unspent, if any : Rs. 7.01 Lakhs (for FY 2018-19)
 (c) Manner in which the amount spent during the financial year is detailed below:

(Rs. In lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Not Applicable							

6. The amount needed to be spent in Financial Year 2019-20 itself but due to paucity of funds, the company could not spent the amount this year.

For BKM Industries Limited

Sd/-
Basant Kumar Agrawal
 Chairman cum Mg. Director

DIN: 520558

For BKM Industries Limited

Sd/-
Navneet Manaksia
 Whole-time Director
 Chairman of CSR Committee

DIN: 438612

Place: Kolkata
 Date: 28.07.2020

ANNEXURE – 'F'
FORM NO. MR -3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To,
The Members,
BKM Industries Limited
Bikaner Building, 3rd floor,
8/1, Lal Bazar Street,
Kolkata – 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. BKM Industries Limited (hereinafter called 'the Company') bearing CIN: L27100WB2011PLC161235. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers; minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent Acts / provisions of the Acts applicable, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the laws applicable to the Company.

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

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

During the period under review, the Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the period under review were duly complied. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

I further report that subject to our observation there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines except certain delays / non-payment of statutory dues in compliance in other applicable laws to the Company.

Signature :

Name of Company Sd/-
Secretary in practice : Santosh Kumar Tibrewalla
FCS No. : 3811
C P No. : 3982
UDIN : F003811B000545396

Place: Kolkata

Date: 28.07.2020

ANNEXURE – ‘G’
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]
I. REGISTRATION AND OTHER DETAILS :

1.	CIN	L27100WB2011PLC161235
2.	Registration Date	25th March, 2011
3.	Name of the Company	BKM Industries Limited (Formerly Manaksia Industries Limited)
4.	Category/Sub-category of the Company	Public Company Limited By Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	Bikaner Building, 3rd floor, 8/1, Lal Bazar Street, Kolkata- 700 001 Tel No.: +91 - 33 - 22435053 Fax No.: +91 - 33 - 2230 0336
6.	Whether listed company	Yes, BSE & NSE
7.	Name, Address & contact details of the Registrar and Share Transfer Agent, if any	Link Intime India Private Limited Room Nos. 502 & 503, 5th Floor, Vaishno Chamber, 6 Brabourne Road, Kolkata- 700001 Tel: +91 - 33 - 4004 9728/ 4073 1698 Fax: +91 - 33 - 4073 1698

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Crowns & Ropp Caps	25999	94.48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
1	Euroasian Ventures FZE LOB 12, Ground Floor, Office No.12, G 06 Jebel Ali Free Zone, Dubai, UAE	NA	Subsidiary	100%	2(87)
2	Euroasian Steels LLC Old Tbilisi (former Mtatsminda) Dist. Tsinamdzgvrishvili St; Nr. 110,0107	NA	Step Down Subsidiary	87.5%	2(87)
3	B K Manaksia Nigeria Ltd. 16B Joy Avenue, of Osolo Way, Ajao Estate, Lagos, Nigeria	NA	Subsidiary	100%	2(87)
4	Jiwanjyoti Vanijya Pvt. Ltd. 8B, Lal Bazar Street, Kolkata - 700001	U51909WB2009PTC137474	Subsidiary	100%	2(87)
5	Glitter Agencies Pvt. Ltd. 8B, Lal Bazar Street, Kolkata - 700001	U51909WB2009PTC137722	Subsidiary	100%	2(87)
6	BKM Agrotech Pvt. Ltd. 2nd floor, 8B Lal Bazar Street, Kolkata - 700001	U74999WB2018PTC225090	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) INDIAN									
a) Individual/ HUF	34702535	-	34702535	52.95	34652535	-	34652535	52.88	0.08
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(1)	34702535	-	34702535	52.95	34652535	-	34652535	52.88	0.08
(2) FOREIGN									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Others - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	34702535	-	34702535	52.95	34652535	-	34652535	52.88	0.08
B. Public Shareholding									
1. INSTITUTIONS									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	6554161	-	6554161	10.001	6554161	-	6554161	10.001	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Foreign Portfolio Investor)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	6554161	-	6554161	10.001	6554161	-	6554161	10.001	0.00
2. NON-INSTITUTIONS									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	7057060	1069	7058129	10.770	9238677	1029	9239706	14.099	3.33
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2336843	0	2336843	3.57	3446050	0	3446050	5.258	1.69

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2019)				No. of Shares held at the end of the year (as on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Trusts	0	0	0	0	0	0	0	0	
Hindu Undivided Family	445255	0	445255	0.68	783703	0	783703	1.196	0.52
Non Resident Indians (Non Repat)	87769	0	87769	0.134	220713	0	220713	0.337	0.20
Non Resident Indians (Repat)	174636	0	174636	0.267	251305	0	251305	0.38	0.12
Clearing Members	603433	0	603433	0.921	27630	0	27630	0.042	-0.88
Body Corporate	13571288	1	13571289	20.71	10357946	1	10357947	15.81	-4.90
Sub-total (B)(2):	24276284	1070	24277354	37.05	24326024	1030	24327054	37.12	0.08
Total Public Shareholding (B) = (B)(1)+ (B)(2)	30830445	1070	30831515	47.05	30880485	1030	30881515	47.123	0.08
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	65532980	1070	65534050	100.00	65533020	1030	65534050	100.00	

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Basant Kumar Agrawal	8130940	12.41%	6.10	14405940	21.98%	0	9.57%
2.	Aditya B Manaksia	9500000	14.50%	6.33	9500000	14.50%	6.33	-
3.	Navneet Manaksia	15825000	24.15%	6.33	9500000	14.50%	0	9.65%
4.	Saroj Devi Agrawal	1246595	1.90%	0	1246595	1.90%	0	-
	Total	34702535	52.95%	18.77	34652535	52.88	0	0.07%

iii. Change in Promoters' Shareholding

Sr No.	Shareholder's Name	Shareholding at the beginning (01/Apr/19) end of the year (31/Mar/20)		Cumulative Shareholding during the year (01/Apr/19 to 31/Mar/20)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NAVNEET MANAKSIA				
	1st April, 2019	15825000	24.15	-	-
	Transfer 19/04/2019	(6325000)	(9.65)	9500000	14.50
	31st March, 2020	-	-	9500000	14.50
2	BASANT KUMAR AGRAWAL				
	1st April, 2019	8130940	12.41	-	-
	Transfer 19/04/2019	6325000	9.65	14455940	22.06
	Transfer 04/10/2019	(10100)	(12.39)	14445840	22.0433
	Transfer 11/10/2019	(1200)	(9.65)	14444640	22.0414
	Transfer 18/10/2019	(38700)	(12.33)	14405940	21.9824
31st March, 2020	-	-	14405940	21.9824	
3	ADITYA B MANAKSIA				
	1st April, 2019	9500000	14.50	-	-
	31st March, 2020	-	-	9500000	14.50
4	SAROJ DEVI AGRAWAL				
	1st April, 2019	1246595	1.9022	-	-
	31st March, 2020	-	-	1246595	1.9022

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

Sl No	Name	Shareholding at the beginning (01/Apr/19)/ end of the year (31/Mar/20)		Cumulative Shareholding during the year (01/Apr/19 to 31/Mar/20)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ICICI BANK LTD				
	01/04/2019	6553405	10.0000		
	29/11/19- Transfer	3583	0.0055	6556988	10.0055
	06/03/2020- Transfer	(2595)	(0.004)	6554393	10.0015
	20/03/2020- Transfer	(688)	(0.001)	6553705	10.0005
	31/03/2020			6553705	10.0005
2	MONET SECURITIES PRIVATE LTD				
	01/04/2019	1247578	1.9037		
	25/10/2019- Transfer	260428	0.3974	1508006	2.3011
	08/11/2019- Transfer	681000	1.0392	2189006	3.3403
	14/02/2019- Transfer	96703	0.1475	2285709	3.4878
	28/02/2019- Transfer	6500	0.0099	2292209	3.4977
	31/03/2020			2292209	3.4977
3	FAREAST DISTRIBUTORS PVT LIMITED				
	01/04/2019	0	0		
	20/09/2019- Transfer	200000	0.3052	200000	0.3052
	27/09/2019- Transfer	586664	0.8952	786664	1.2004
	31/03/2020			786664	1.2004
4	GLOBE CAPITAL MARKET LTD				
	01/04/2019	821515	1.2536		
	17/05/2019 - Transfer	127	0.0002	821642	1.2538
	24/05/2019 - Transfer	(127)	(0.0002)	821515	1.2536
	07/06/2019- Transfer	(25568)	(0.039)	795947	1.2146
	14/06/2019- Transfer	(9224)	(0.0141)	786723	1.2005
	21/06/2019- Transfer	(2552)	(0.0039)	784171	1.1966
	29/06/2019- Transfer	(1000)	(0.0015)	783171	1.1951
	06/09/2019- Transfer	275	0.0004	783446	1.1955
	13/09/2019- Transfer	1000	0.0015	784446	1.1970
	27/09/2019- Transfer	(1000)	(0.0015)	783446	1.1955
	30/09/2019- Transfer	(275)	(0.0004)	783171	1.1951
	29/11/2019- Transfer	362	0.0005	783533	1.1956
	06/12/2019- Transfer	(362)	(0.0005)	783171	1.1951
	20/12/2019- Transfer	2200	0.0033	785371	1.1984
	27/12/2019- Transfer	(2150)	(0.0033)	783221	1.1951
31/12/2019- Transfer	(50)	0	783171	1.1951	
	31/03/2020			783171	1.1951
5	ANIKET GUPTA				
	01/04/2019	0	0		
	15/11/2019- Transfer	699900	1.0680	699900	1.0680
	06/12/2019- Transfer	(10000)	(0.0153)	689900	1.0527
	20/12/2019- Transfer	(10000)	(0.0152)	679900	1.0375
	31/03/2020			679900	1.0375
6	SRI GBK RESOURCES PRIVATE LIMITED				
	01/04/2019	0	0		
	27/12/2019- Transfer	500000	0.7630	500000	0.7630
	31/03/2020			500000	0.7630

Sl No	Name	Shareholding at the beginning (01/Apr/19)/ end of the year (31/Mar/20)		Cumulative Shareholding during the year (01/Apr/19 to 31/Mar/20)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	SPECTRUM STOCK SERVICES PRIVATE LIMITED				
	01/04/2019	581496	0.8873		
	06/09/2019- Transfer	(100000)	(0.1526)	481496	0.7347
	31/03/2020			481496	0.7347
8	PAWAN KUMAR AGARWAL				
	01/04/2019	0	0		
	21/06/2019- Transfer	425000	0.6485	425000	0.6485
	31/03/2020			425000	0.6485
9	LINTON CONSULTANTS PRIVATE LIMITED				
	01/04/2019	393389	0.6003		
	31/03/2020			393389	0.6003
10	SUDHA GUPTA				
	01/04/2019	375000	0.5722		
	31/03/2020			375000	0.5722
11	ACCOLADE TRADERS PRIVATE LIMITED				
	01/04/2019	3264875	4.9820		
	03/05/2019- Transfer	(500000)	(0.763)	2764875	4.2190
	17/05/2019- Transfer	(500000)	(0.763)	2264875	3.4560
	24/05/2019- Transfer	(500000)	(0.7629)	1764875	2.6931
	31/05/2019- Transfer	(500000)	(0.763)	1264875	1.9301
	29/06/2019- Transfer	100837	0.1539	1365712	2.0840
	05/07/2019- Transfer	(100000)	(0.1526)	1265712	1.9314
	23/08/2019- Transfer	67914	0.1036	1333626	2.0350
	13/09/2019- Transfer	(65000)	(0.0992)	1268626	1.9358
	20/09/2019- Transfer	(416100)	(0.6349)	852526	1.3009
	27/09/2019- Transfer	(126110)	(0.1924)	726416	1.1085
	04/10/2019- Transfer	(5010)	(0.0077)	721406	1.1008
	11/10/2019- Transfer	(2105)	(0.0032)	719301	1.0976
	18/10/2019- Transfer	(562)	(0.0009)	718739	1.0967
	15/11/2019- Transfer	(553892)	(0.8452)	164847	0.2515
	22/11/2019- Transfer	(164847)	(0.2515)	0	0.0000
31/03/2020			0	0.0000	
12	NISHTHA INVESTMENT & CONSULTANCY SERVICES PVT. LTD.				
	01/04/2019	1325440	2.0225		
	29/06/2019- Transfer	(47421)	(0.0723)	1278019	1.9502
	05/07/2019- Transfer	(18537)	(0.0283)	1259482	1.9219
	26/07/2019- Transfer	(20578)	(0.0314)	1238904	1.8905
	02/08/2019- Transfer	(29662)	(0.0453)	1209242	1.8452
	09/08/2019- Transfer	(24216)	(0.0369)	1185026	1.8083
	16/08/2019- Transfer	(21146)	(0.0323)	1163880	1.7760
	23/08/2019- Transfer	(30277)	(0.0462)	1133603	1.7298
	30/08/2019- Transfer	(33342)	(0.0509)	1100261	1.6789
	06/09/2019- Transfer	(13891)	(0.0212)	1086370	1.6577
	13/09/2019- Transfer	(160105)	(0.2443)	926265	1.4134
	20/09/2019- Transfer	(174352)	(0.266)	751913	1.1474
	08/11/2019- Transfer	(751913)	(1.1474)	0	0.0000
31/03/2020			0	0.0000	

Sl No	Name	Shareholding at the beginning (01/Apr/19)/ end of the year (31/Mar/20)		Cumulative Shareholding during the year (01/Apr/19 to 31/Mar/20)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	ATTRACTIVE VINIMAY PRIVATE LIMITED				
	01/04/2019	938877	1.4327		
	26/07/2019 - Transfer	(100000)	(0.1526)	838877	1.2801
	06/09/2019 - Transfer	100000	0.1526	938877	1.4327
	13/09/2019 - Transfer	(500000)	(0.763)	438877	0.6697
	27/09/2019 - Transfer	(200000)	(0.3052)	238877	0.3645
	15/11/2019- Transfer	(238877)	(0.3645)	0	0.0000
	31/03/2020			0	0.0000
14	ARADHANA PROPERTIES PRIVATE LIMITED				
	01/04/2019	879650	1.3423		
	22/11/2019- Transfer	(879650)	(1.3423)	0	0.0000
	31/03/2020			0	0.0000
15	M.PRASAD & CO LIMITED				
	01/04/2019	681000	1.0392		
	08/11/2019- Transfer	(681000)	(1.0392)	0	0.0000
	31/03/2020			0	0.0000
16	INFOSOFT GLOBAL PRIVATE LIMITED				
	01/04/2019	500000	0.7630		
	27/03/2020- Transfer	(500000)		0	0.0000
	31/03/2020			0	0.0000

- Notes: 1. Paid up Share Capital of the Company (Face Value Rs. 1.00) at the end of the year is 65534050 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

v. Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	Shareholding at the beginning (01/Apr/19)/ end of the year (31/Mar/20)		Cumulative Shareholding during the year (01/Apr/19 to 31/Mar/20)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Basant Kumar Agrawal				
	1/4/2019	8130940	12.41		
	31/3/2020			14405940	21.98
2	Aditya B Manaksia				
	1/4/2019	9500000	14.50		
	31/3/2020			9500000	14.50
3	Navneet Manaksia				
	1/4/2019	15825000	24.15		
	31/3/2020			9500000	14.50

* Directors and KMP holding shares have been considered only.

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

(Rs. In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11246.94	1530.17	-	12777.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	288.32	-	-	288.32
Total (i + ii + iii)	11535.26	1530.17	-	13065.43

Change in Indebtedness during the financial year				
* Addition	211.74	137.83	-	399.57
* Reduction				
Total				
Indebtedness at the end of the financial year				
i) Principal Amount	11372	1668	-	13040
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	425	-	-	425
Total (i + ii + iii)	11747	1668		13465

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

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

(In Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		CMD	WTD	WTD	
		Mr. Basant Kumar Agrawal	Mr. Aditya B Manaksia	Mr. Navneet Manaksia	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	63,00,000	54,00,000	
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	7,20,000	7,20,000	-	
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission- as % of profit- others, specify	-	-	-	
5	Others, please specify- Medical Expense-Gratuity	83,000	-	-	
	Total (A)	92,03,000	70,20,000	54,00,000	2,16,23,000
	Ceiling as per the Act	10% of the Net Profit of the Company			

B. Remuneration to other Directors

(In Rs.)

Sl No.	Particulars of Remuneration	Name of Directors						Total Amount
		Independent Directors	Dr Kali Kumar Chaudhuri	Mrs. Smita Khaitan	Mr. Anil Kumar Saboo	Ganesh Chandra Das	Jaya Bajpai	
1	Fee for attending board committee meetings	35,000	38,000	36,000	39,000	35,000	21,000	2,04,000
	Commission	-	-	-				-
	Others, please specify	-	-	-				-
	Total (1)	35,000	38,000	36,000	39,000	35,000	21,000	2,04,000
2	Other Non-Executive Directors	-	-					-
	Fee for attending board committee meetings	-	-					-
	Commission	-	-					-
	Others, please specify	-	-					-
	Total (2)	-	-					-
	Total (B)=(1+2)	35,000	38,000	36,000	39,000	35,000	21,000	2,04,000
	Overall Ceiling as per the Act - Fee for attending board/committee Meeting - Commission	Rs. 1,00,000 per Board/Committee Meeting 1% of the net profit of the Company						

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

(Rs. In lakhs)

Sl No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CFO		CS		
		Mr. Bijay Kumar Sahoo		Ms. Raveena Dugar		
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.62		1.89		14.51
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-		-		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-		-
2	Stock Option	-		-		-
3	Sweat Equity					-
4	Commission	-		-		-
	- as % of profit	-		-		-
	- others, specify	-		-		-
5	Others, please specify	-		-		-
	Total	12.62		1.89		14.51

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			-NONE-		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			-NONE-		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			-NONE-		
Compounding					

For and on behalf of the Board of Directors
BKM Industries Limited

Sd/-
Basant Kumar Agrawal
 Chairman cum Managing Director
 DIN: 520558

Sd/-
Navneet Manaksia
 Whole-time Director
 DIN: 438612

Place: Kolkata
 Date: 28.07.2020

STANDALONE FINANCIALS

Auditor's Report
Balance Sheet
Statement of Profit and Loss
Statement of Changes in Equity
Cash Flow Statement
Notes to Financial Statement

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BKM INDUSTRIES LIMITED

Report on the audit of standalone financial statements

OPINION

We have audited the accompanying Standalone Financial Statements of BKM Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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, 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 March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

EMPHASIS OF MATTERS

We draw attention to the following notes of the Standalone Financial Statements. Our opinion is not modified in respect of these matters,

1. Note No 48 to the Standalone Financial Statements which indicate that with effective April 1, 2019, the Company adopted Ind AS 116 "Leases" using the Modified Retrospective Approach which is applied to leases that were within the scope of this standard as of April 1, 2019 and has taken the cumulative adjustment to retained earnings in the Standalone Financial Statements as on April 1, 2019. As a result an amount of INR 127.73 lakhs as fair value of leased asset recognized as lease-hold building in the Property, Plant and Equipments (Refer Note No 5 to the Standalone Financial Statements) and also recognized an equivalent amount as fair value of leased liability, included in the Other non-current liabilities (Refer Note No 21 to the Standalone Financial Statements) as at March 31, 2020.
2. Note 7 "Trade Receivables-Impairment loss/ (gain) on financial assets" to the Standalone Financial Statements which indicate that as at the reporting date the management has reviewed the recoverability of trade receivables. Based on which the entity has provided for expected credit loss of INR 1558 lakhs to the extent of non-recoverability of trade receivables in accordance with Ind AS -109 "Financial Instruments: recognition & measurement" during the year ended 31st March, 2020. This is included in Note No 30 "Other Expenses-Impairment (loss)/gain on financial assets" in the Standalone Financial Statements for the year ended March 31, 2020.
3. Note 17 "Borrowings" to the Standalone Financial Statements which indicate that Due to irregularity in payment of Borrowings, as at 31st March, 2020 the Company's loan accounts in the Banks and Other Financial Institutions have got NPA due to overdue of Interest and Principal amounting to INR 10503 lakhs. Further these Bank and Other Financial Institutions have already initiated notice under section 13(2) of the SRFAESI Act, 2002, against which the Company has responded accordingly.
4. Note 58 to the Standalone Financial Statements which indicates that the Company out of 8 manufacturing facilities ('facilities'), the company has already discontinued its operations at 3 facilities till 31st March 2020 and communicated to the stock exchange on its intent to suspend the operation at 3 facilities from now onwards. However, the management is exploring options to revive the operations and cash flows in near future so as to maintain the going concern status of the entity. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.
5. Note 59 to the Standalone Financial Statements which indicates that the Company has sold lease hold land and discontinued its manufacturing operations of one of its plant located at Bhopal district in the state of Madhya Pradesh. Accordingly, net profit/ (Loss) from such manufacturing operation of an amounting to INR (23) lakhs disclosed separately in the Statement of Profit and Loss of the Company for the year ended March 31,

2020 as a separate item in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Furthermore the Property, Plant and Equipment (Refer Note No 5 to the Standalone Financial Statements) of an amounting to INR 67 lakhs with respect to this plant classified in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and disclosed under "Non-current assets held for disposal" in the Balance Sheet as at 31st March 2020.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Principal Audit Procedures
1.	As at the reporting date the carrying amount of the net assets of the entity is more than its market capitalization on standalone basis. This provides an indication for occurrence of Impairment Loss in accordance with Ind-AS 36 "Impairment loss". However, based on the formal estimates by the management the recoverable value will exceed the carrying amount of the net assets of the company. Hence, no impairment loss recognized in the Standalone Financial Statements for the period ended March 31, 2020.	We have discussed with the Management and Audit Committee backed by detailed workings on future projections and sustainability plans.
2.	Contingent Liabilities pending starting from financial year 2011-12, Non-payment of tax liability of INR 135 lakhs & Non-filing of Income Tax Returns for the financial year 2017-18 & recoverability of deposits made against Appeals with Government Authorities.	We have involved our internal experts to review the nature of the amounts recoverable and payables, the sustainability and the likelihood of recoverability upon final resolution.
3	Allowance for Credit Losses: The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.	Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses. For a sample of customers: We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the

Standalone Financial Statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 the paragraph 3 and 4 of the said order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Standalone Balance Sheet, Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rule issued thereunder, as amended;
 - (e) on the basis of the written representations received from the Directors as on 31st March, 2019, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a Director in terms of section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report; and
 - (g) in our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations in its financial statements;
 - ii. The Company did not have any long- term contracts, including derivative contracts. Accordingly, no provisions for material foreseeable losses have been made; and
 - iii. There were no amounts which are required to be transferred to the investor education & protection fund by the Company.

For SRB & Associates

Chartered Accountants

Firm Registration No. 310009E

Sd/-

Bisworanjan Sutar

Partner

Membership No: 066708

UDIN: 20066708AAAABQ9692

Kolkata, 28th July 2020

ANNEXURE-A

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of BKM Industries Limited ("the Company") on the Standalone Financial Statements for the year ended 31st March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. Pursuant to such program, none of the fixed asset has been physically verified by the management during the period.
- (c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company except the title deeds/lease deeds pending for mutation of immovable properties are given below:

Particulars	Locations	Title Owner	Amount (Rs. in INR)
Free Hold Land	Hyderabad	Manaksia Crowns Pvt. Ltd.	88,633.00
Free Hold Land	Hyderabad	Manaksia Crowns Pvt. Ltd.	1,18,089.00
Factory Land	Belur	Hindustan Seals Limited	2,01,056.00
Free Hold Land	Silvasa	Manaksia Crowns Pvt. Ltd.	5,34,247.00
Land	Liluah	Manaksia Containers Ltd.	8,55,415.00

- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The discrepancies noticed on the aforesaid verification between the physical stocks and book records were properly dealt in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public and accordingly clause (v) of paragraph 3 of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, CGST, SGST, IGST, UTGST, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities except the following,

Nature of Statutory Dues	Outstanding Since	Amount (INR in Lakhs)
Goods and Services Tax (GST)	May, 2018	46.99
Tax Deducted at Source (TDS)	July, 2018	152.95
Income Tax Liability for the financial year 2017-18	Nov, 2018	135.00
Total		334.94

(b) According to the information and explanations given to us, the following dues of Excise Duty, Service Tax, Entry Tax and Other Dues have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount involved (Rs. in INR)	Period to which the amount relates	Forum where Disputes is pending
Central Excise & CGST Act	Excise Duty & Penalty	95,91,956.00	2017-18	Commissionerate Audit-II, Kolkata
Central Excise & CGST Act	Excise Duty & Penalty	64,779.00	2017-18	Asst. Commissionerate of CGST & C. Ex, Bankura Division
Central Excise Act, 1944	Excise Duty & Penalty	3,502,788.00	1991-99	Superintendent of Central Excise, Range-9
Central Excise Act, 1944	Excise Duty & Penalty	1,604,645.00	2012-13	Addl. Commissioner, Hyderabad
Central Excise Act, 1944	Excise Duty & Penalty	1,729,833.00	2014-15	Jt. Commissioner, Hyderabad
Central Excise Act, 1944	Excise Duty & Penalty	29,504,533.00	2010-11	Commissioner of C.Ex., Hyderabad – I
Central Excise Act, 1944	Excise Duty & Penalty	2,558,384.00	1991-92	Commissioner of Central Excise, Kolkata
Central Excise Act, 1944	Excise Duty & Penalty	2,856,822.00	1990-94	Collectorate of C.Ex, Cal – II
Central Excise Act, 1944	Excise Duty & Penalty	4,966,246.00	1991-94	Superintendent, C.EX of HND
Central Excise Act, 1944	Excise Duty & Penalty	1,072,447.00	1992-15	A.C, C.Ex., CGR-I
Central Excise Act, 1944	Excise Duty & Penalty	568,850.00	2007-11	A.C., C.E.DGP
Central Excise Act, 1944	Excise Duty & Penalty	1,424,775.00	2007-08	Jt.Commr, Bolpur
Central Excise Act, 1944	Excise Duty & Penalty	835,713.00	1998-99	Additional Commissioner, Cal-IV
Central Excise Act, 1944	Excise Duty & Penalty	1,728,620.00	1993-04	Additional Commissioner, C.Ex of Cal-II
Central Excise Act, 1944	Excise Duty & Penalty	117,147.00	2013-14	Asstt. Commissioner, C.Ex, HND-II
Central Excise Act, 1944	Excise Duty & Penalty	266,145.00	2011-12	D.C., C.E, DGP
Central Excise Act, 1944	Excise Duty & Penalty	954,876.00	1995-97	Dy. Commissioner, C.Ex of Cal-II
Central Excise Act, 1944	Excise Duty & Penalty	31,262.00	2000-12	Joint Commissioner, C.Ex, Cal-IV
Central Excise Act, 1944	Excise Duty & Penalty	2,35,55,830.00	2015-16	Central Excise Commissionerate, kol-IV
Central Excise Act, 1944	Excise Duty & Penalty	46,425.00	2016-17	Asst. Commissioner of C.E-Bankura Division
Central Excise & CGST Act	Service Tax	2,69,000.00	2017-18	Asst. Commissioner of CGST & Central Excise, Durgapur Audit
Central Excise Act, 1944	Service Tax	31,69,656.00	2009-10	Asst, Commissioner, CE & ST Haldia- Div.I
MP Industrial Relation Act, 1960	Others	2,13,259.00	2014-15	Labour Court, Bhopal
The WB Entry Tax Act	Entry Tax	70,66,085.00	2011-17	High Court, Kolkata

(viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to any financial institutions, bankers and government or debenture holders during the year.

Name of the Bank	Nature of Account	Date of Overdue Started	Amount Overdue as at 31st March, 2020 (INR in Lakhs)
State Bank of India	Cash Credit	20.09.2018	3,277.00
ICICI Bank Limited	Term Loan	22.09.2018	1,056.00
ICICI Bank Limited	Cash Credit	31.10.2018	196.00
IDBI Bank Limited	Cash Credit	23.10.2018	1,103.00
Allahabad Bank	Cash Credit	30.09.2018	2,307.00
Bank of Baroda	Cash Credit	01.07.2019	618.00
Indiabulls Housing Finance	Term Loan	01.04.2019	1,946.00
Total			10,503.00

- (ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, 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.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 & 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone Financial Statements of the Company as required by the applicable accounting standards.
- (xiv) According to the information and explanations 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 or fully or partly convertible debentures during the year. Therefore, the provision of clause 3(xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi) of paragraph 3 of the Order is not applicable.

For SRB & Associates

Chartered Accountants

Firm Registration No. 310009E

Sd/-

Bisworanjan Sutar

Partner

Membership No: 066708

UDIN: 20066708AAAABQ9692

Kolkata, 28th July 2020

ANNEXURE-B

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of BKM Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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



OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRB & Associates

Chartered Accountants

Firm Registration No. 310009E

Sd/-

Bisworanjan Sutar

Partner

Membership No: 066708

UDIN: 20066708AAAABQ9692

Kolkata, 28th July 2020

BALANCE SHEET AS AT MARCH 31, 2020

		(INR' Lakhs)	
	Notes	As at 31st March 2020	As at 31st March 2019
I. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	5	4,926	5,218
(b) Capital work-in-progress	5	344	344
(c) Intangible assets	5	14	25
(d) Intangible assets under development		-	-
(e) Financial Assets			
(i) Investments	6	4,320	4,320
(ii) Trade receivables	7	-	-
(iii) Loans	8	429	531
(iv) Other financial assets	9	12	12
(f) Deferred tax assets (net)		-	-
(g) Other non-current assets	10	859	1,030
2. Current assets			
(a) Inventories	12	2,193	2,418
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	7	5,024	6,723
(iii) Cash & cash equivalents	13	152	167
(iv) Bank balances other than (iii) above	9	1	67
(v) Loans	8	-	-
(vi) Other financial assets	9	-	-
(c) Current Tax Assets (net)	14	23	20
(d) Other current assets	10	982	889
3. Non-current assets held for disposal			
	5 & 59	67	10
TOTAL ASSETS		19,346	21,774
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	15	655	655
(b) Other Equity	16	3,378	6,233
2. Liabilities			
(i) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	769	2,521
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	18	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities	19	35	35
(b) Provisions	20	330	308
(c) Deferred tax liabilities (net)	11	194	632
(d) Other non-current liabilities	21	130	-
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	12,271	10,122
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		41	11
(iii) Other financial liabilities	19	762	675
(b) Other current liabilities	21	719	538
(c) Provisions	20	62	44
TOTAL EQUITY AND LIABILITIES		19,346	21,774
Significant accounting policies	1 & 2		
Notes forming an integral part of financial statements	3 to 60		

As per our report of even date attached.

For SRB & Associates
 Chartered Accountants
 F. Regd. No. 310009E

Sd/-
Biswornjan Sutar
 Partner
 M. No. 066708

Date : 28th July 2020
 Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
 Chairman cum Managing Director
 DIN: 520558

Sd/-
Aditya B Manaksia
 Whole Time Director
 DIN:614488

Sd/-
Navneet Manaksia
 Whole Time Director cum CFO
 DIN: 438612

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

		(INR' Lakhs)	
	Notes	For the year ended 31st March 2020	For the year ended 31st March 2019
Income			
I. Revenue from Operations	22	374	3,923
II. Other Income	23	192	111
III. Other Gains/(Losses)	24	302	118
Total Income		868	4,152
IV. Expenses			
(a) Cost of Materials Consumed	25a	223	1,569
(b) Changes in Inventories (increase) /decrease	26	47	2,828
(c) Purchase of Stock In Trade	25b	-	1,251
(d) Depreciation and Amortization expenses	5	340	366
(e) Operating and Manufacturing Expenses	27	83	377
(f) Employee Benefit Expenses	28	301	1,062
(g) Finance cost	29	541	1,455
(h) Other Expenses	30	2,610	1,132
Total expenses		4,145	10,040
V. Profit Before exceptional items and tax		(3,277)	(5,888)
Exceptional items		-	-
VI. Profit Before Taxes		(3,277)	(5,888)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Deferred Tax Expenses/(Income)		(440)	(246)
VIII. Profit (Loss) from continuing operations		(2,837)	(5,642)
Profit (loss) from discontinued operations before tax		(23)	-
Tax expense of discontinued operations		-	-
IX. Profit (Loss) from discontinued operations (after tax)	59	(23)	-
X. Profit (Loss) for the year		(2,860)	(5,642)
XI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss:			
(a) Revaluation Surplus of Property Plant & Equipment	52	-	-
(b) Re-measurement of defined employee benefit plans	35	7	48
(ii) Income tax relating to items that will not be reclassified to profit or loss :			
(a) on Revaluation Surplus on Property, Plant & Equipment	33	-	-
(b) on Re-measurement of defined employee benefit plans	33	(2)	(15)
B (i) Items that will be reclassified to profit or loss :			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss :			
		5	33
XII. Total Other comprehensive Income after tax		5	33
XIII. Total comprehensive income for the period		(2,855)	(5,609)
XIV. Earnings per equity share (for continuing operation):			
(1) Basic		(4.33)	(8.61)
(2) Diluted		(4.33)	(8.61)
XV. Earnings per equity share (for discontinued operation):			
(1) Basic		(0.04)	-
(2) Diluted		(0.04)	-
XVI. Earnings per equity share (for continuing & discontinued operations):			
(1) Basic		(4.37)	(8.61)
(2) Diluted		(4.37)	(8.61)

Significant accounting policies

Notes forming an integral part of financial statements

1 & 2

3 to 60

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Bisworanjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2018	655
Changes in equity share capital	-
As at 31 March 2019	655
Changes in equity share capital	-
As at 31 March 2020	655

B. Other Equity

Particulars	Attributable to owners of BKM Industries Limited					Total other equity
	Capital Reserves	Reserves & Surplus General Reserves	Securities Premium	Retained Earnings	Other Comprehensive Income Revaluation Reserves	
Balance at 31 March 2018	5	6,170	4,171	36	1,460	11,842
Profit for the year	-	-	-	(5,642)	-	(5,642)
Other comprehensive income	-	-	-	33	-	33
Total comprehensive income for the year	-	-	-	(5,609)	-	(5,609)
Other Adjustments	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Balance at 31 March 2019	5	6,170	4,171	(5,573)	1,460	6,233
Profit for the year	-	-	-	(2,860)	-	(2,860)
Other comprehensive income	-	-	-	5	-	5
Total comprehensive income for the year	-	-	-	(2,855)	-	(2,855)
Other Adjustments	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Balance at 31 March 2020	5	6,170	4,171	(8,428)	1,460	3,378

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Biswaranjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

Particulars	(INR' Lakhs)	
	Year ended 31st March 2020	Year ended 31st March 2019
A Operating Activities		
Profit before tax from continuing operations	(3,277)	(5,888)
Profit/(loss) before tax from discontinuing operations	(23)	-
Profit before tax	(3,300)	(5,888)
Adjustments for:		
Depreciation on Property, Plant and Equipment	334	355
Amortisation of intangible assets	11	11
Finance Cost (including fair value changes in financial instruments)	541	1,455
Net foreign exchange differences	(155)	(117)
Interest Income (including fair value changes in financial instruments)	(192)	(111)
Dividend Income	-	-
Provision for Gratuity	39	(6)
(Profit)/Loss on sales of Property, Plant and Equipment	(147)	(1)
Net (Gain)/Loss on remeasurement of Financial Assets carried FVTPL	1,970	53
Changes due to amortisation and interest on lease-hold assets under Ind AS-116	130	-
Operating profit / (loss) before working capital changes	(769)	(4,249)
Working capital adjustments:		
Decrease/(Increase) in Trade receivables	141	(1,669)
Decrease/(Increase) in Loans	272	85
Decrease/(Increase) in Inventories	225	3,266
Decrease/(Increase) in Other financial assets	66	104
Decrease/(Increase) in Other current assets	61	510
(Decrease)/Increase in Trade payables	30	(325)
(Decrease)/Increase in Other financial liability	84	-
(Decrease)/Increase in Other current liability	181	(98)
(Decrease)/Increase in Provisions	8	138
	299	(2,238)
Income taxes paid	(3)	(14)
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES (A)	296	(2,252)
B Investing Activities		
Purchase of Property, Plant and Equipment	(128)	(48)
Purchase of Intangible Assets	-	-
Changes in Capital Work In Progress	-	(340)
Other non-current assets	(241)	(59)
Sale of Property, Plant and Equipment	176	36
(Purchase)/Sale of Investments	-	(1)
Interest received (finance income)	23	88
Dividend received	-	-
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES (B)	(170)	(324)
C Financing Activities		
Proceeds from issue of equity shares	-	-
Interest paid	(404)	(1,186)
Proceeds/(Repayment) from borrowings	263	3,876
Dividends paid including Dividend Distribution Tax	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES (C)	(141)	2,690
Net increase (decrease) in cash and cash equivalents (A+B+C)	(15)	114
Cash and cash equivalents at the beginning of the year	167	53
Cash and cash equivalents at year end	152	167

This statement of cash flows have been prepared as per indirect method as prescribed under Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Bisworanjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

Notes to the Standalone Financial Statements

NOTE - 1: BACKGROUND

BKM Industries Limited ("the company") is a public limited company incorporated and domiciled in India. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited, in India. The company is engaged in manufacture of Packaging Products and Other Engineering Products and Marine Business.

NOTE - 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with Ind AS :

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

(ii) Historical cost convention :

The financial statements have been prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that is measured at fair value;
- b) Net Defined Obligations;
- c) Non-current Assets held for sale.

(iii) Current And Non -Current Classification

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

(iv) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- a. Ind AS 116 "Leases", the Company has changed its accounting policies and made certain retrospective adjustments following the adoption of Ind AS 116. Refer Note No 48 for impact given due to adoption of this Ind AS and other related disclosures.

2.2 Property, Plant and Equipment, Intangible Assets and Capital Work-in-progress

i) Recognition and Measurement

During the financial year 2019-20 the Freehold land carried as per revaluation model adopted during the financial year 2017-18, less accumulated depreciation and impairment. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted as separate assets is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The cost of Property, plant and equipment not available for use as on each reporting date are disclosed under capital work-in-progress.

ii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost, net of their residual values over their estimated useful lives. The useful lives have been determined based on the technical evaluation done by the independent experts which are in line with the Schedule II to the Companies Act ,2013.
- b) Any assets whose aggregate actual cost does not exceed five thousands rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed and adjusted at the end of each reporting period.
- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata-basis from the date of such addition or, as the case may be , up to the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the Standalone Financial Statements

- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Depreciation includes amortisation of lease-hold land over the period of lease.

iii) Intangible assets:

- a) Recognitions and Measurements:
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.
- b) Amortisation methods and periods :
Intangible assets with finite useful lives are amortized on straight line basis over their estimated useful lives.

2.3 Revenue recognition:

The Company recognises revenue from the following major sources:

- a. Sale of Services.
- b. Sale of Products.
- c. Other operating revenue.

The company adopts the following criteria as for recognizing the revenue:

a) Sale of Products or Services-Time and Material Contracts

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Revenue was reduced for estimated customer returns, rebates and similar allowances. Revenue from sale of goods was recognised when the goods were delivered and titles have passed. i.e. The Company had transferred to the buyer the significant risks and rewards of ownership of goods; the Company retained neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue could be measured reliably; it was probable that the economic benefits associated with the transaction would flow to the Company; and the costs incurred or to be incurred in respect of the transaction could be measured reliably. The Company recognizes revenue on the sale of goods, net of discounts, sales incentives and rebates granted when control of the goods is transferred to the customer. Revenue on time and material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as revenue. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

b) Nature, timing of satisfaction of performance obligation and transaction price (Fixed and Variable)

The Company recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods or services are delivered to the customer or when the customer purchases the goods or services from the Company). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery. At inception of the contract, Company assesses the goods or services promised in a contract with a customer and identifies each promise to transfer to the customer as a performance obligation which is either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Based on the terms of the contract and as per business practice, the Company determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excluded amount collected on behalf of third parties such as taxes.

c) Contract combination and modification

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and accounts for the contracts as a single contract if the contracts are negotiated as a package with a single commercial objective; or the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or the goods or services promised in the contracts are a single performance obligation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involve assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that

Notes to the Standalone Financial Statements

are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

d) **Contract assets, Contract liabilities and Trade receivables**

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues). A receivable is recognised by the Company when the control over the goods or services is transferred to the customer such as when goods are delivered or services are provided as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 90 to 180 days.

2.4 Other Incomes

- 1) Insurance claims has been recognized as revenue on cash basis.
- 2) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- 3) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- 4) Revenue other than above is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount or the amount in respect of which recovery has ceased to be probable is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.

2.5 Inventories

Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, Loose tools and Erection materials are valued at weighted average cost.
- b) Finished goods are stated at lower of Cost or Net Realisable Value.
- c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

Cost of raw materials and stores comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

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

2.6 Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Assets:

(i) Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized costs less of provisions for impairment.

(ii) Other Financial Assets

a) Classifications

The company classifies its financial assets in the following categories:

- # Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).
- # Those measured at amortised costs.

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements

Initial Recognition:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

Notes to the Standalone Financial Statements

Subsequent Measurement:

There are three subsequent measurement categories into which the company classifies its debt instruments financial assets:

i) Measured at amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

ii) Measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

iii) Measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition.

iv) Equity instruments

An equity instruments is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised at the proceeds received net off direct issue cost.

All equity instruments classified under financial assets are subsequently measured at fair value. The company has made an irrecoverable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

c) Impairment of Financial Assets :

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized costs. The impairment methodology applied depends on whether there has been significant increase in credit risks.

For trade receivables only, the company has applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized from initial recognition of the receivables.

d) Derecognition of Financial Assets :

A financial assets is derecognized only when :

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

Financial Liabilities

a) Borrowings :

- i. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.
- ii. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).
- iii. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

b) Trade and other payables :

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Standalone Financial Statements

c) Other Financial Liabilities

Financial liabilities are measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate method. Gain and losses recognized in profit and loss when the liabilities are derecognized.

d) Offsetting of Financial Instruments:

A financial asset and a financial liability shall be offset and the net amount presented in the balance sheet when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.7 Employee benefits

(i) Short-term employee benefit obligations

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

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Profit and Loss Statement.

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Superannuation and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Profit and loss Statement on accrual basis.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less that fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

2.8 Foreign currency translation

(i) Functional and presentation currency

Each items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions i.e. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Notes to the Standalone Financial Statements

Non monetary items that are measured that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

2.9 Income tax

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- iii. Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The company offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.
- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.11 Borrowing costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

2.12 Provisions & Contingent Liabilities:

- a. A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Standalone Financial Statements

2.13 Contributed equity :

a) Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

b) Dividends:

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

2.14 Earning Per Share

a) Basic Earning Per Share

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earning Per Share

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interests or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.15 Segment Reporting

Ind AS 108 "Operating Segments", establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segments of the Company are primarily enterprises in packaging products and all other segments. All other segments represents the operating segments of businesses in India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for "all other segments" represents revenue generated from customers located in India. Allocated expenses of segments include expenses incurred for rendering services. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Company.

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Geographical information on revenue and business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

2.16 Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Notes to the Standalone Financial Statements

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

2.17 Investment Properties:

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property are recognized at the carrying amount of the property.

2.18 Research and Development:

Unless dealt under respective Ind AS, research and development expenditure of revenue nature are charged to the Statement of Profit and Loss, while capital expenditure are added to the cost of fixed assets in the year in which these are incurred.

2.19 Government Grants:

Grants from government are recognized at their fair value where there is a reasonable assurance that the grants will be received and the company will comply all conditions.

Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected lives of the related assets and presented within other income.

2.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR' Lakhs as per the requirement of Division II to Schedule III of the Companies Act, 2013, unless otherwise stated.

NOTE - 3: RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Pronouncement Issued but not effective:

a) Amendment to (Ind AS)-103 "Business Combination":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-103 "Business Combination". An entity shall determine whether a transaction or other event is a business combination by applying the definition in this Ind AS, which requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business, the reporting entity shall account for the transaction or other event as an asset acquisition. Paragraphs B5-B12D provide guidance on identifying a business combination and the definition of a business.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

b) Amendment to (Ind AS)-107 "Financial Instruments: Disclosures":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-107 "Financial Instruments: Disclosures". For hedging relationships to which an entity applies the exceptions set out in paragraphs 6.8.4-6.8.12 of Ind AS 109, an entity shall disclose-

- (a) the significant interest rate benchmarks to which the entity's hedging relationships are exposed;
- (b) the extent of the risk exposure the entity manages that is directly affected by the interest rate benchmark reform;
- (c) how the entity is managing the process to transition to alternative benchmark rates;
- (d) a description of significant assumptions or judgements the entity made in applying these paragraphs (for example, assumptions or judgements about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows); and
- (e) the nominal amount of the hedging instruments in those hedging relationships.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Company will not have any impact on the account of this amendments.

c) Amendment to (Ind AS)-109 "Financial Instruments":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-109 "Financial Instruments". Temporary exceptions from applying specific hedge accounting requirements:

Notes to the Standalone Financial Statements

6.8.1 An entity shall apply paragraphs 6.8.4–6.8.12 and paragraphs 7.1.8 and 7.2.26(d) to all hedging relationships directly affected by interest rate benchmark reform. These paragraphs apply only to such hedging relationships. A hedging relationship is directly affected by interest rate benchmark reform only if the reform gives rise to uncertainties about-

- (a) the interest rate benchmark (contractually or non-contractually specified) designated as a hedged risk; and/or
- (b) the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

7.2.26 As an exception to prospective application of the hedge accounting requirements of this Standard, an entity shall apply the requirements in Section 6.8 retrospectively. This retrospective application applies only to those hedging relationships that existed at the beginning of the reporting period in which an entity first applies those requirements or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve that existed at the beginning of the reporting period in which an entity first applies those requirements.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Company will not have any impact on the account of this amendments.

d) Amendment to (Ind AS)-116 “Leases”:

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-116“Leases”. The new paragraph 46A inserted-

As a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification. 46B The practical expedient in paragraph 46A applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June, 2021 and increased lease payments that extend beyond the 30th June, 2021); and
- (c) there is no substantive change to other terms and conditions of the lease.

Lessee shall apply Covid-19-Related Rent Concessions retrospectively.

The Company is evaluated the effect of this amendment on this standalone financial statements and it does not have any impact on the account of this amendments.

e) Amendment to (Ind AS)-10 “Events after the Reporting Period”:

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-10“Events after the Reporting Period”. The substitution of paragraph 21 If non-adjusting events after the reporting period are material, non-disclosure could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. Accordingly, an entity shall disclose the following for each material category of non-adjusting event after the reporting period-

- (a) the nature of the event; and
- (b) an estimate of its financial effect, or a statement that such an estimate cannot be made.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Company is evaluated the effect of this amendment on this standalone financial statements and it does not have material category of non-adjusting event after the reporting period.

f) Amendment to (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”:

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-37“Provisions, Contingent Liabilities and Contingent Assets”. The substitution of paragraph 75-A management or board decision to restructure taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period-

- (a) (a) started to implement the restructuring plan; or
- (b) announced the main features of the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will carry out the restructuring.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Company does not have any impact on the account of this amendments.

Notes to the Standalone Financial Statements

NOTE - 4: CRITICAL ESTIMATES AND JUDGEMENTS

a) Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries, excluding expected credit loss and impairment loss recognised in accordance with Ind AS-109 and 36 respectively. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, other related informations and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

c) Critical Accounting Estimates :

i) Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii) Income Taxes :

The Company's major tax jurisdictions is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Defined benefit obligation

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

iv) Impairment of trade receivables

The company estimates the collectability of accounts receivables by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of customer deteriorates, additional allowances may be required.

v) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital (WACC). However, based on the formal estimates by the management the recoverable value will exceed the carrying amount of the net assets of the company. Hence, no impairment loss recognized in the Standalone Financial Statements for the period ended March 31, 2020.

Notes to the Standalone Financial Statements

NOTE - 5: PROPERTY, PLANT AND EQUIPMENT

Particulars	(INR' Lakhs)									
	Freehold Land	Leasehold Land	Buildings (Freehold & leasehold)	Furniture, Fittings and Equipment	Plant and Machinery	Office Equipment	Vehicles	TOTAL	Capital Work-in-Progress	Intangible Assets
Gross Carrying Amount										
At 31st March, 2018	2,260	9	1,452	485	7,247	277	332	12,062	178	79
Additions/Adjustments during the year	7	23	192	-	-	0	-	222	340	-
Disposals/ Capitalised during the year	-	-	-	-	(314)	-	-	(314)	(174)	-
At 31st March, 2019	2,267	32	1,644	485	6,933	277	332	11,970	344	79
Additions/Adjustments during the year	-	-	128	-	-	-	-	128	-	-
Disposals/ Capitalised during the year	-	(32)	-	-	-	-	-	(32)	-	-
At 31st March, 2020	2,267	-	1,772	485	6,933	277	332	12,066	344	79
Accumulated Depreciation and Impairment										
At 31st March, 2018	-	2	806	439	4,991	249	179	6,666	-	43
Depreciation charge for the year	-	0	54	8	262	8	23	355	-	11
Disposals during the year	-	-	-	-	(279)	-	-	(279)	-	-
At 31st March, 2019	-	2	860	447	4,974	257	202	6,742	-	54
Depreciation charge for the year (Refer Note III below)	-	1	77	5	224	6	21	334	-	11
Disposals during the year	-	(3)	-	-	-	-	-	(3)	-	-
At 31st March, 2020	-	-	937	452	5,198	263	223	7,073	-	65
Net Book Value At 31st March, 2020	2,267	-	835	33	1,735	14	109	4,993	344	14
Net Book Value At 31st March, 2019	2,267	30	784	38	1,959	20	130	5,228	344	25

Net Book Value:

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Property, Plant and Equipment (PPE)		
(a) PPE other than held for sale	4,926	5,218
(b) PPE held for sale (Refer Note V below)	67	10
Capital Work-in-progress	344	344
Intangible Assets	14	25

- (i) Details of Property, Plant & Equipment pledged as security - Refer Note No.47.
(ii) Refer Note No. 51 for estimated useful lives of different class of Property, Plant & Equipment.
(iii) Depreciation expenses of INR 5.30 lakhs during the period allocated to operation discontinued (Refer Note No. 59) has been included in the Profit (loss) from discontinued operations before tax in the Statement of Profit and Loss as a separate line item.

(IV) The details of retired asset as at end of each period is as below :-

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Property, Plant and Equipment	202	202
Capital Work-in-progress	-	-
Intangible Assets	-	-

(V) The details of Assets held for sale as at end of each period is as below :-

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Property, Plant and Equipment		
Opening Balance/Deemed Cost	10	-
(+) Additions	67	10
(-) Deletions	(10)	-
Carrying Amount/Deemed Cost	67	10

(VI) The details of net book value of Buildings (Freehold & leasehold) as at end of each period is as below :-

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Free-hold Building in accordance with Ind AS 16	722	784
(ii) Lease-hold Building in accordance with Ind AS 116	113	-
Net book value of Buildings (Freehold & leasehold)	835	784

Notes to the Standalone Financial Statements

NOTE - 6: INVESTMENTS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Investment in Equity Instruments:		
Investment in Subsidiary Entities		
(a) Euroasian Ventures FZE 25 Equity shares fully paid of face value AED 1000000 each (on 31st March, 2019: 25 Equity shares fully paid of face value AED 1000000 each)	3,239	3,239
(b) Glitter Agencies Private Limited 4990000 Equity shares fully paid of face value of 10 each (on 31st March, 2019: 4990000 Equity shares fully paid of face value of 10 each)	499	499
(c) Jiwanyoti Vanijya Private Limited 4990000 Equity shares fully paid of face value of 10 each (on 31st March, 2019: 4990000 Equity shares fully paid of face value of 10 each)	499	499
(d) BK Manaksia Nigeria Limited 39990000 Equity shares fully paid of face value of each (on 31st March, 2019: 39990000 Equity shares fully paid of face value of each)	82	82
(e) BKM Agrotech Private Limited 10000 Equity shares fully paid of face value of 10 each (on 31st March, 2019: 10000 Equity shares fully paid of face value of 10 each)	1	1
Total	4,320	4,320
(i) Non-current	4,320	4,320
(ii) Current	-	-
	4,320	4,320
Investments measured:		
(a) At Amortized Cost	4,320	4,320
(b) At Fair Value through Profit & Loss (FVPL)	-	-
(c) At Fair Value through Other Comprehensive Income (FVOCI)	-	-
	4,320	4,320

NOTE - 7: TRADE RECEIVABLES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Secured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	7,206	7,347
Less: Trade Receivable Written off	-	-
Less: Impairment loss/(gain) on financial assets	(2,182)	(624)
Sub-Total	5,024	6,723
Total	5,024	6,723

During the period ended 31st March, 2020, the Company has provided an Impairment (loss)/gain on trade receivables amounting to INR 1,558 lakhs with respect to expected credit losses in accordance with Ind AS -109 "Financial Instruments: recognition & measurement".

Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.

NOTE - 8: LOANS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Secured, considered good		
(i) Non Current		
Security Deposits	9	9
Inter-corporate Loans & Deposits*	420	522
Deposits with Government Authorities	-	-
Sub-Total	429	531
(ii) Current		
Security Deposit	-	-
Inter-corporate Loans & Deposits*	-	-
Sub-Total	-	-
Total	429	531

* Inter-corporate loans and deposits includes related parties and other corporates.

Notes to the Standalone Financial Statements

NOTE - 9: OTHER FINANCIAL ASSETS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Non-Current		
Other bank balances*	-	-
Sub-Total	-	-
Other financial assets		
(a) Application money paid towards subscription of securities	12	12
(b) Others	-	-
Sub-Total	<u>12</u>	<u>12</u>
Total	<u>12</u>	<u>12</u>
(ii) Current		
Other bank balances*	1	67
Sub-Total	<u>1</u>	<u>67</u>
Other financial assets		
(a) Derivative Financial Asset	-	-
(b) Others	-	-
Sub-Total	<u>-</u>	<u>-</u>
Total	<u>1</u>	<u>67</u>

* Details of other balances with banks

Particulars	As at 31st March 2020	As at 31st March 2019
Earmarked Balances with Banks*	1	1
Term Deposits with Bank	-	-
Margin money, guarantee and security with banks**	-	66
Total	<u>1</u>	<u>67</u>

* Earmarked balances with banks denotes balances held for unpaid dividends and are denominated & held in Indian Rupees (INR).

** The margin money, guarantee and security with banks includes deposits held as collateral Security.

NOTE - 10: OTHER NON-CURRENT ASSETS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Non-Current		
Capital Advance	-	1
Security Deposit	-	-
Balances with Government Authorities	7	7
Prepaid Lease Rentals	852	1,022
Other Loans & Advances	-	-
Sub-Total	<u>859</u>	<u>1,030</u>
(ii) Current		
Capital Advance	-	-
Security Deposit	-	-
Balances with Government Authorities	422	370
Other Loans & Advances	560	519
Sub-Total	<u>982</u>	<u>889</u>
Total	<u>1,841</u>	<u>1,919</u>

NOTE - 11: DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Property, Plant and Equipment	(893)	(1,011)
Intangible Assets	(3)	(7)
Employee Benefit Obligation	96	97
MAT Credit Entitlement	72	72
Impairment loss/(gain) on financial assets	534	217
Total	<u>(194)</u>	<u>(632)</u>

Notes to the Standalone Financial Statements

NOTE - 12: INVENTORIES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(a) Raw Materials	1,174	1,347
(b) Work-in-Process	331	367
(c) Finished Goods	327	343
(d) Stores & Spares	204	209
(e) Stock in Transit	-	-
(f) Scraps	157	152
Total	2,193	2,418

Refer Note No. 2.5 for details of mode of valuation of inventories.

NOTE - 13: CASH AND CASH EQUIVALENTS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Balances with banks		
(i) Cash at bank	149	206
(ii) Cash on hand	4	28
(iii) Cheques on hand	-	-
Sub Total	153	234
Less : Amount grouped under other bank balances	1	67
Total	152	167

NOTE - 14: CURRENT TAX ASSETS/ (LIABILITIES) (NET)

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Income tax payable	-	-
Income tax receivable	23	20
Total	23	20

NOTE - 15: SHARE CAPITAL

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Equity Share Capital		
a) Authorised		
75000000 (on 31st March, 2019: 75000000) Equity Shares of Rs.1/- each	750	750
b) Issued, Subscribed and Paid Up		
Equity Shares:		
65534050 (on 31st March, 2019: 65534050) Equity Shares of Rs. 1 each fully paid up	655	655
Total	655	655

Above figures in bracket pertains to immediately preceding previous period figures.

c) Reconciliation of number of equity shares are set out below:

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i) Shares outstanding at the beginning of the financial year	6,55,34,050	6,55,34,050
ii) Issued during the year	-	-
iii) Shares forfeited/brought back/cancelled during the year	-	-
iv) Shares outstanding at the end of the financial year	6,55,34,050	6,55,34,050

Notes to the Standalone Financial Statements

d) Details of shareholders holding more than 5% of shares

(INR' Lakhs)

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	% held	No. of Shares	% held	No. of Shares
Basant Kumar Agrawal	22%	14455940	22%	14455940
Navneet Manaksia	14%	9500000	14%	9500000
Aditya B Manaksia	14%	9500000	14%	9500000
ICICI Bank Limited	10%	6553405	10%	6553405

- (a) The Company has a single class of equity shares having par value of Re. 1 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees (INR). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (c) The company is not a subsidiary company.
- (d) In terms of the scheme of arrangement under section 391 to 394 of the Companies Act, 1956 ('the Scheme') between Manaksia Limited. Manaksia Industries Limited ('the Company') and other three transferee Companies, Manaksia Limited has demerged its business and undertakings namely, Aluminium Undertaking, Steel Undertaking, CMMC Undertaking and Packaging Undertaking to four separate transferee Companies. In terms of the Scheme 65,534,050 equity shares of Re. 1/- each fully paid-up, of the Company have been issued payment being received in cash, in the ratio of 1 (one) fully paid-up equity share of Re. 1/- each of the Company for every equity share held in Manaksia Limited.
- (e) The company has changed its name from Manaksia Industries Limited to BKM Industries Limited with effect from 16th of October, 2017.
- (f) No Shares has been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.
- (g) For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has not:
- Issued class of shares allotted as fully paid up pursuant to contract without payment being received in cash;
 - Issued class of shares allotted as fully paid up by way of bonus shares; and
 - Issued class of shares bought back.

NOTE - 16: OTHER EQUITY

(INR' Lakhs)

Particulars	As at	As at
	31st March 2020	31st March 2019
a. Capital Reserve		
Opening Balance	5	5
Less: Transferred to Retained Earnings	-	-
Sub Total	5	5
b. Securities Premium		
Opening Balance	4,171	4,171
Add: Additions during the year	-	-
Sub Total	4,171	4,171
c. General Reserves		
Opening Balance	6,170	6,170
Add: Addition during the year	-	-
Less: Dividend paid	-	-
Sub Total	6,170	6,170
d. Revaluation Surplus		
Opening Balance	1,460	1,460
Add: Net fair value gain/(loss) on revaluation of Property, Plant and Equipment during the period	-	-
Less: Income tax effect thereof	-	-
Sub Total	1,460	1,460
e. Retained Earnings		
Opening Balance	(5,573)	36
Add: Profit/(Loss) during the year	(2,860)	(5,642)
Add: Re-measurement of defined employee benefit plans through OCI Net of Tax	5	33
Add: Net fair value gain/(loss) on investments during the period	-	-
Less: Impairment loss on financial assets	-	-
Add: Restatement of Property, Plant & Equipment Depreciation on Capital Stores	-	-
Add: Grant on Re-measurement of interest Free Loan	-	-
Less: Unrecognized Interest on Interest Free Loan	-	-
Less: Other Adjustments	-	-
Sub Total	(8,428)	(5,573)
Total	3,378	6,233

Refer Note No. 54 for details of nature and purpose of each class of other equity.

Notes to the Standalone Financial Statements

NOTE - 17: BORROWINGS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Non-Current Borrowings		
Secured Loan		
(a) Term Loan From Banks & Financial Institutions	-	1,753
(b) Term Loan From others	-	-
Unsecured Loan		
(a) Loans from Bank	-	-
(b) Loans from Others	-	-
(c) Deferred Sales Tax Liability	769	768
Total non-current borrowings	769	2,521
(ii) Current Borrowings		
Secured Loan		
From Banks		
(a) Term Loan From Banks & Financial Institutions	3,116	1,041
(b) Buyers Credit	7,487	7,551
Unsecured Loan		
From Others	1,668	1,530
Total current borrowings	12,271	10,122

- (a) The Current part of Long Term Borrowings, as above, have been shown under Other financial liabilities (Note No 19), as Current Maturities of long term debt.
- (b) The Company's Secured Corporate Loan facilities are secured by First Charge on Fixed Asset (Movable and Immovable) of the Company. The amount is further secured by second charge on the current assets of the Company, both present and future.
- (c) Company's Loan against property from NBFC is secured by Charge against properties of subsidiary companies - Jiwanjyoti Vanijya Pvt Ltd and Glitter Agencies Pvt Ltd. The amount is further secured by pledge of company's investment in Equity shares of those companies. Rate of interest of this kind of loan is LFRF (LAP Floating reference rate notified time to time) -7.25% margin. These loans are repayable in Equated Monthly Instalments over a period of 10 years.
- (d) Vehicles loan are secured by charge against the vehicles obtained from those loans. Rate of interest on vehicles loans ranges between 8.5% To 10% p.a. These loans are repayable between 3 to 5 years from date of disbursement.
- (e) The Company's Working Capital facilities from banks are secured by First Charge on the current assets and First Charge on Fixed Assets of unit at Bankura ranking pari passu with the respective Working Capital Bankers. The amount is further secured on second charge basis on fixed assets of the Company (except at Bankura unit) ranking pari passu with the respective Working Capital Bankers.
- (f) The sales tax loan is repayable in annual instalments which range from a maximum of INR 167.47 lakhs to a minimum of INR 21.70 lakhs over the period from 1998-1999 to 2012-2013. The amount outstanding is free of interest.
- (g) During the financial year 2018-19 an amount of INR 3,27,67,025 brought in by promoters of the company by way of invocation of pledged shares in pursuance of loan from ICICI Bank Limited.
- (h) Refer Note No.56 for details of tenure of pending obligations as covenants of borrowings.
- (i) Due to irregularity in payment of Borrowings, as at 31st March, 2020 the Company's loan accounts in the Banks and Other Financial Institutions have got NPA due to overdue of Interest and Principal amounting to INR 10,503 lakhs. Further these Bank and Other Financial Institutions have already initiated notice under section 13(2) of the SRFSAESI Act, 2002, against which the Company has responded accordingly.

NOTE - 18: TRADE PAYABLES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i. Non-Current		
(A) Total outstanding dues of micro enterprises and small enterprises#	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Sub-Total	-	-
ii. Current		
(A) Total outstanding dues of micro enterprises and small enterprises#	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	41	11
Sub-Total	41	11
Grand Total	41	11

* Outstanding dues of creditors includes payable towards statutory audit fees of INR 40 lakhs.

Refer Note No. 50 for details of dues to MSME.

Notes to the Standalone Financial Statements

NOTE - 19: OTHER FINANCIAL LIABILITIES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i. Non-Current		
Security Deposits From Consignment Agencies	35	35
Sub-Total	35	35
ii. Current		
Current Maturity of Long term debt	-	134
Interest Accrued but not Due	425	288
Others	337	253
	762	675
Total	797	710

NOTE - 20: PROVISIONS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Provision for Employee Benefits	-	-
(ii) Provision for Gratuity	392	352
Total	392	352
(i) Non Current	330	308
(ii) Current	62	44
Total	392	352

NOTE - 21: OTHER CURRENT LIABILITIES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i. Non-current		
(i) Leasehold building liability	130	-
Total	130	-
ii. Current		
(i) Statutory Dues Payable	718	537
(ii) Customer Advances	-	-
(iii) Unpaid Dividend Account#	1	1
(iv) Others	-	-
Total	719	538

Refer Note No. 57 for details of Unpaid Dividend Account.

NOTE - 22: REVENUE FROM OPERATIONS

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Sale of Products	327	3,873
Sale of Services	47	50
Other Operating Revenue	-	-
Total	374	3,923
Sale of Products :		
Gross Sale of Products	398	4,322
Less: Discounts	-	(19)
Less : Goods & Services Tax	(71)	(430)
Net Sale of Products	327	3,873

Notes to the Standalone Financial Statements

NOTE - 23: OTHER INCOME

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Interest Income:		
Interest Income From Financial Assets measured at Amortized Costs	23	88
Dividend Income:		
Dividend Income From Financial Assets Measured at Amortized Costs	-	-
Dividend Income From Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Other Items :		
Rental Incomes	-	-
Export Incentives and Benefits	-	-
Unwinding of Interest on Security Deposits	169	23
Revenue Grants	-	-
Other	-	-
Total	192	111

NOTE - 24: OTHER GAINS/ (LOSSES)

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Net gain/(losses) on disposal of Property, Plant & Equipment	147	1
Net foreign exchange gain /(losses)	155	117
Other Items	-	-
Total	302	118

NOTE - 25a: COST OF MATERIAL CONSUMED

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Material and components consumed		
Opening Stock	1,347	1,717
Add: Material Purchased during the year	50	1,199
Less: Closing Stock	(1,174)	(1,347)
Total	223	1,569

Details of materials consumed

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Aluminium	143	712
Tin Free Steel Sheet	77	345
Others	3	512
Total	223	1,569

NOTE - 25b: PURCHASE OF STOCK-IN-TRADE

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Tea	-	735
Others	-	516
Sub-Total	-	1,251

NOTE - 26: CHANGES IN INVENTORIES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Opening Stock		
Finished Goods	343	474
Semi-Finished Goods	367	3,041
Scrap Material	152	175
Sub-Total	862	3,690
Less:- Closing Stock		
Finished Goods	327	343
Semi-Finished Goods	331	367
Scrap Material	157	152
Sub-Total	815	862
INCREASE(-)/DECREASE(+)	47	2,828

Notes to the Standalone Financial Statements

NOTE - 27: OPERATING AND MANUFACTURING EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Consumption of Stores and Consumables	7	101
Power and Fuel	48	193
Processing Charges	17	10
Cleaning Charges	9	31
Carriage Inward	2	8
Other Manufacturing Expenses	0	34
Total	83	377

NOTE - 28: EMPLOYEE BENEFIT EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Salaries, Wages & Bonus	201	815
Contribution to Provident and other Funds	25	45
Workmen & Staff welfare Expenses	75	202
Total	301	1,062

NOTE - 29: FINANCE COST

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Interest on Borrowings:		
On Fixed Loans	206	324
On Others *	335	1,131
Interest on finance lease obligations	-	-
Total	541	1,455

* Interest to others includes interest on other advances.

NOTE - 30: OTHER EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Repairs & Renewals:		
Plant & Machinery	2	13
Building	0	4
Others	0	3
Lease Rent	58	131
Rental Charges other than lease	173	53
Auditors Remuneration (Note 31)	17	17
Insurance	0	14
Rates and related Taxes	5	7
Bank Commission and Banking Administration Charges	1	32
Packing Expenses	9	54
Freight Forwarding & Handling Expenses	23	99
Communication Expenses	2	9
Impairment (loss)/gain on financial assets #	1,797	-
Travelling Conveyance	25	89
Miscellaneous Expenses	490	520
Prior period Errors	8	87
Donation	0	0
Corporate Social Responsibility Expenses (Note 32)	-	-
	2,610	1,132

Impairment (loss)/gain on financial assets includes an amount of INR 1558 lakhs with respect to expected credit loss provided on Trade Receivables (Refer No. 7 & 4(iv)). As at the reporting date the management has reviewed the recoverability of trade receivables. Based on which the entity has provided for expected credit loss to the extent of non-recoverability of trade receivables in accordance with Ind AS -109 "Financial Instruments: recognition & measurement" during the year ended 31st March, 2020.

Notes to the Standalone Financial Statements

NOTE - 31: DETAILS OF PAYMENT TO AUDITORS

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
As Auditors		
Audit Fees	17	17
Tax Audit Fee	-	-
In other Capacity		
Taxation matters	-	-
Company Law matters	-	-
Certification fees	-	-
Re-imbusement of Expenses	-	-
	17	17

NOTE - 32: CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Contribution to Charity Foundation	-	-
Outlay on Others CSR Projects	-	-
Total	-	-
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year on :		
(1) Construction or Acquisition of Assets	-	-
(2) On purposes other than (1) above	-	-
Total	-	-
Excess/(Short) Amount Spend	-	-

NOTE - 33 : INCOME TAX EXPENSES

This note provides an analysis of the company's income tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax position.

(a)

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Income Tax Expenses		
(i) Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax Expenses	-	-
(ii) Deferred Tax :		
Decrease/(Increase) in deferred tax on assets	(439)	(297)
(Decrease)/Increase in deferred tax on liabilities	(1)	51
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	(440)	(246)
Total Income Tax Expenses (i+ii)	(440)	(246)
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	(440)	(246)
Total Tax Expenses Charged to SPL	(440)	(246)
Total Tax Expenses Charged against OCI	2	15
Total Tax Expenses	(438)	(231)

Notes to the Standalone Financial Statements

(b) Income Tax Expense:

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Profit/ (Loss) from continuing operations before income tax expenses	(3,277)	(5,888)
Profit/ (Loss) from discontinued operations before income tax expenses	(23)	-
Total Profit from operations	(3,300)	(5,888)
Tax at the Indian tax rate of Nil% (2018-19: Nil%)	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
(a) Depreciation and Amortization expenses	-	-
(b) Donations and Expenses on non taxable Incomes	-	-
(c) Provision for Gratuity U/S 40(A)(7)	-	-
(d) Filling Fees for capital Increase	-	-
(e) Ind AS Impact:		
Impairment (loss)/gain on financial assets	-	-
Rental Charges other Than lease	-	-
Re-measurement of defined employee benefit plans	-	-
Restatement of Property, Plant & Equipment Depreciation on Capital Stores	-	-
Interest on Deferred Sales Tax Liability at amortised cost	-	-
(f) Expenses pertaining to previous year	-	-
(g) Profit on sale of fixed assets	-	-
(h) Amount Received by the Assesses from employees towards PF contributions	-	-
(i) Dividend received from subsidiaries taxable at specified rate	-	-
(j) Mat Credit/Debit	-	-
(k) Penalty	-	-
(l) Allowable U/S-43B & 35DDA	-	-
(m) Other Items adjusted	-	-
(n) Previously unrecognised tax losses recouped to reduce current tax expenses	-	-
Current Income Tax Expenses	-	-

(c) Amount recognised directly in equity

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: Share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
Total amount recognised directly in equity	-	-

(d) Tax losses

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Unused tax losses for which no deferred tax has been recognised	-	-
Potential tax benefits	-	-

(e) Unrecognised temporary differences

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	-	-
Unrecognised deferred tax liabilities relating to the above temporary differences	-	-

NOTE - 34: MOVEMENT IN DEFERRED TAX ASSETS-INCOME/ (LIABILITY-EXPENSE)

Particulars	(INR' Lakhs)			
	31st March 2020		31st March 2019	
	Through PL	Through OCI	Through PL	Through OCI
Property, Plant and Equipment	118	-	303	-
Intangible Assets	4	-	(7)	-
Employee Benefit Obligation	1	(2)	(50)	(15)
MAT Credit Entitlement	0	-	-	-
Impairment loss/(gain) on financial assets	317	-	-	-
Impact of Deferred Tax Incomes/(Expenses)	440	(2)	246	(15)

Notes to the Standalone Financial Statements

NOTE - 35: DISCLOSURE UNDER IND AS 19 "EMPLOYEE BENEFITS"

Defined Benefit Plan:

The employees' gratuity fund scheme (unfunded) is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

(i) Post Employment Obligations

a) Gratuity

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, 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.

(ii) Defined contribution plans

The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary and dearness allowances as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The company also contribute to Employee State Insurance (ESI) at the rate of 3.25% of basic salary as per the regulations. The ESI funds is maintained by appropriate authority of State Government.

The amounts recognised in the balance sheet and movements in the net defined benefits obligation over the year are as follows:

		(INR' Lakhs)	
Particulars		31st March 2020	31st March 2019
1)	Change in Defined Benefit Obligation :		
	Defined Benefit Obligation at the beginning of the year	353	358
	Interest Cost	26	27
	Current Service Cost	21	21
	Benefits Paid	(1)	(6)
	Actuarial Gain / (Loss) on Obligation	(7)	(48)
	Present Value of obligation as at the end of the year	392	353
2)	Change in Fair Value of the Asset		
	Fair Value of the plan assets at the beginning of the year	-	-
	Investment Income	-	-
	Contributions	-	-
	Benefits paid	-	-
	Return on plan assets, excluding amount recognised in Net Interest Expenses	-	-
	Fair Value of Plan assets at the end of the year	-	-
3)	Net Asset/(Liability) recognised in the Balance Sheet		
	Fair Value of the Plan Assets	-	-
	Present Value of the obligation as at the end of the year	392	353
	Amount recognized in Balance Sheet	(392)	(353)
4)	Expenses recognised in the Income Statement		
	(under the head contribution to provident fund and other funds)		
	Current Service Cost	21	21
	Net Interest Income/(cost) on the Net Defined Benefit liability	26	27
	Expenses recognised in the statement of Profit and Loss	47	49
5)	Other Comprehensive Income		
	Expected Return from Plan Asset	-	-
	Net Actuarial Gain/(Loss) recognized in the year	(7)	(48)
	Components of defined benefit costs recognised in Other Comprehensive income	(7)	(48)

The key assumptions used in the calculations are as follows :-

Particulars	31st March 2020	31st March 2019
Discount Rate	6.50% p.a.	7.30% p.a.
Rate of increase in salaries	5.00% p.a.	5.00% p.a.
Mortality	100% of IALM 06-08	100% of IALM 06-08
Attrition Rate	2.00% p.a.	2.00% p.a.

Notes to the Standalone Financial Statements

The key assumptions used in the calculations are as follows :-

Particulars	31st March 2020		31st March 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	422	366	380	328
% change compared to base due to sensitivity	7.56%	-6.67%	7.85%	-6.93%
Salary Growth (-/+1%)	364	423	327	381
% change compared to base due to sensitivity	-7.01%	7.82%	-7.33%	8.18%
Attrition Rate (-/+50%)	389	394	348	356
% change compared to base due to sensitivity	-0.72%	0.65%	-1.19%	1.08%
Mortality Rate (-/+10%)	391	392	352	353
% change compared to base due to sensitivity	-0.13%	0.13%	-0.24%	0.23%

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

a. Interest Rate risk :

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

b. Liquidity Risk :

This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

c. Salary Escalation Risk :

The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

d. Demographic Risk :

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

e. Regulatory Risk :

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

NOTE - 36: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category:

(INR' Lakhs)

Particulars	31st March 2020			31st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments:						
Equity instruments	-	-	4,320	-	-	4,320
Trade receivables	-	-	5,024	-	-	6,723
Cash and cash equivalents	-	-	153	-	-	234
Loans	-	-	429	-	-	531
Derivative financial assets	-	-	-	-	-	-
Others	-	-	12	-	-	12
Total financial assets	-	-	9,938	-	-	11,820
Financial liabilities						
Borrowings	-	-	13,040	-	-	12,643
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	41	-	-	11
Other financial liabilities	-	-	797	-	-	710
Total financial liabilities	-	-	13,877	-	-	13,364

Notes to the Standalone Financial Statements

(ii) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are,

- (a) recognised and measured at fair value, and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

(INR' Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

(INR' Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanged is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: 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 maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

(ii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:

- (a) Trade receivables
- (b) Cash and cash equivalents
- (c) Loans
- (d) Borrowings
- (e) Trade payables
- (f) Capital Creditors
- (g) Other payables

Notes to the Standalone Financial Statements

NOTE - 37: FINANCIAL RISK MANAGEMENT

The company's some portion of activities are expose to variety of financial risks i.e. credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's financial instruments (excluding receivables from related parties) are influenced mainly by the individual characteristics of each customer. The company's exposure to credit risk is concentration of risk from the top few customers and the demographics of the customers.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit rating.	Diversification of bank deposits, credit limits and letters of credit.
Liquidity risk	Borrowing and other liabilities.	Rolling cash flow forecasts.	Availability of committed credit lines and borrowing facilities.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. The company uses a matrix to compute the expected credit loss allowance for trade receivable.

(i) Credit risk management

Credit risk is managed on each instrument basis. For Banks and financial institutions, only high rated banks /institutions are accepted. For other financial instruments, the company assess and maintain an internal credit rating system. The finance function consists of a separate team who assess and maintain internal credit rating system. Internal credit rating is performed on a company level basis for each class of financial instrument with different characteristics.

(ii) Provision for expected credit losses

Expected credit loss for trade receivables under simplified approach

Particulars	31st March 2020	31st March 2019
Gross Carrying amount	7,206	7,347
Expected loss rate-accumulated	30%	8%
Expected credit losses (Loss allowance provision)	(2,182)	(624)
Carrying amount of trade receivables (net of impairment) - Non-current	5,024	6,723

Significant estimates and judgements

Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the company. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Sensitivity- Interest rate risk exposure

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

Particulars	Impact on profit after tax (*)	
	31st March 2020	31st March 2019
Interest rates- increase by 50 basis points (50bps)	-0.34%	-0.24%
Interest rates- decrease by 50 basis points (50bps)	0.34%	0.24%

* Holding all other variables constant.

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During 31 march 2020 and 31 march 2019, the company's borrowings at variable rate were mainly denominated in INR.

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

Notes to the Standalone Financial Statements

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Profit for the period would increase/ decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

NOTE - 38: CAPITAL MANAGEMENT

(a) Risk management

The company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

Particulars	31st March 2020	31st March 2019
Net Debt	13,313	12,898
Total Equity	4,034	6,888
Net debt to Equity Ratio	3.30	1.87

(b) Dividends

Particulars	31st March 2020	31st March 2019
(i) Equity shares:		
Final dividend for the year ended 31.03.2020 of INR Nil (31.03.2019 of INR Nil) per fully paid share.	-	-
Interim dividend for the year ended 31.03.2020 of INR Nil (31.03.2019 of INR Nil) per fully paid share.	-	-
(ii) Dividends not recognised at the end of the reporting period:		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR Nil per fully paid equity share (31.03.2019 of INR Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

NOTE - 39: EARNINGS PER SHARE (EPS)

Particulars	31st March 2020	31st March 2019
(i) Net Profit/(Loss) after tax from continuing operation as per statement of Profit & Loss attributable to Equity Shareholders	(2,837)	(5,642)
(ii) Net Profit/(Loss) after tax from discontinued operation as per statement of Profit & Loss attributable to Equity Shareholders	(23)	-
(iii) Net Profit/(Loss) after tax from continuing & discontinued operations as per statement of Profit & Loss attributable to Equity Shareholders	(2,860)	(5,642)
(iv) Weighted Average number of equity shares used as denominator for calculating EPS (Nos.)	6,55,34,050	6,55,34,050
(v) Face Value per Equity Share (in INR)	1.00	1.00
(vi) Basic and Diluted Earnings per share (in INR) from continuing operation	(4.33)	(8.61)
(vii) Basic and Diluted Earnings per share (in INR) from discontinued operation	(0.04)	-
(viii) Basic and Diluted Earnings per share (in INR) from continuing & discontinued operations	(4.37)	(8.61)

NOTE - 40: FOREIGN EXCHANGE

Earnings in foreign exchange	31st March 2020	31st March 2019
(i) FOB Value of Exports (including freight realised)	11	142
(ii) Interest income from subsidiary company	8	5
(iii) Dividend income	-	-
Total	19	147

Expenditure in foreign currency	31st March 2020	31st March 2019
(i) Interest and finance charges	-	-
(ii) Other Expenses	2	41
Total	2	41

CIF value of imports	31st March 2020	31st March 2019
i) Capital Goods	-	-
ii) Raw materials and other purchases	114	524
Total	114	524

Notes to the Standalone Financial Statements

NOTE - 41: CONTINGENT LIABILITY

		(INR' Lakhs)	
Particulars		31st March 2020	31st March 2019
i)	Guarantees given by Company's Bankers on behalf of the Company:		
a)	Guarantees issued in favour of electricity department and other agencies.	34	34
ii)	Claims against the Company not acknowledged as debts:		
a)	Service Tax	34	34
b)	Excise Duty demand under appeal	1,047	1,047
c)	Entry Tax	71	71
d)	Others	2	2
iii)	Corporate Guarantees given by Company.	-	-
Total		1,188	1,188

a. However as per management perception, the above liabilities will not devolve upon the company in future.

b. The nine-member bench of Hon'ble Supreme Court vide Order dated 11-11-2016 passed in the case of Jindal Stainless Limited & Others v. State of Haryana & Others [Civil Appeal No. 3453 OF 2002] held the 'concept of Discriminatory Taxes' as the parameter for determining as to whether the levy of Entry Tax is violate of Article 301 of Constitution of India. In terms with the opinion taken by us from Legal Counsel, the levy of Entry Tax in the State of West Bengal is DISCRIMINATORY in nature and therefore the levy may not uphold in the court of law. Hence, the provision made by the Company for Entry Tax has been reversed and liability of Entry Tax has been shown in the contingent liability.

NOTE - 42: CAPITAL COMMITMENTS

		(INR' Lakhs)	
Particulars		31st March 2020	31st March 2019
i)	Estimated value of contracts in capital account remaining to be executed.	-	-

NOTE - 43: DISCLOSURES AS PER IND AS 108 "OPERATING SEGEMENTS"

Based on the policy set out under Significant Accounting Policy, the company follows "Management Approach" for the purpose of deciding operating segments. The operating results of each major geographical areas are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the company has decided to consider major geographical areas as its operating segments.

(i) Operating Segment Revenues:

		(INR' Lakhs)	
Operating Segments		31st March 2020	31st March 2019
	United Arab Emirates (UAE)	-	-
	Bangladesh	-	28
	Liberia	-	23
	Burma	-	23
	Malaysia	-	7
	Nigeria	-	61
	Singapore	-	-
	India	374	3,781
	Total	374	3,923

(ii) Operating Segment Assets:

The operating facilities of the company are commonly employed for domestic business; hence it is not possible to report segment assets and capital expenditure by geographical segment.

(iii) Operating Segment Results:

The operating facilities of the company are commonly employed for domestic business; hence it is not possible to report segment expenditure by geographical segment. Consequently, even if the discrete segment revenues are reported, segment results are not disclosed.

Notes to the Standalone Financial Statements

NOTE - 44: ADDITIONAL DISCLOSURES AS PER IND AS 108 "OPERATING SEGEMENTS"

(i) Revenue from Customers Exceeding 10% of Total revenue:

As per Para 34 of Ind AS 108, if revenues from transactions with a single external customer amount to 10 percent or more of an entity's revenues, the company is required to disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The details of such disclosure is as below:

Customer Name	Identity of Segment	% of Total Revenues
		31st March 2020
Archana Agencies	India	17%
Variety Stores	India	14%
Pernod Ricard India Private Limited	India	11%

Customer Name	Identity of Segment	% of Total Revenues
		31st March 2019
Darjeeling Organic Tea Estates Private Limited	India	18%
UNO Overseas	India	13%

(ii) Extent of Reliance on Major Customers:

Extent of Reliance on Major Customers of the company can be depicted by assessing their sales chunk compared to total revenue of the operation. The percentage of group of major customer to its total revenue is as below :

Customer Name	% of Total Revenues	
	31st March 2020	31st March 2019
Top 10 Customers	85%	65%
Top 25 Customers	100%	79%

NOTE - 45: RELATED PARTY DISCLOSURE AS PER IND AS 24

(i) List of Related parties:

(a) Associates and Joint Arrangements:

The company do not have any associates and joint arrangements.

(b) Subsidiaries:

Name	Country	Acquired in Financial Year	% of Holding
(i) Euroasian Ventures FZE	UAE	2011-12	100%
(ii) Euroasian Steels LLC [step-down subsidiary of above (i)]	Georgia	2011-12	88%
(iii) Glitter Agencies Private Limited	India	2016-17	100%
(iv) Jiwanyoti Vanijya Private Limited	India	2016-17	100%
(v) BK Manaksia Nigeria Limited	Nigeria	2017-18	100%
(v) BKM Agrotech Private Limited	India	2018-19	100%

(c) Key Managerial Personnel:

Name	Designation
Mr. Basant Kumar Agrawal	Chairman Cum Managing Director
Mr. Navneet Manaksia	Whole Time Director cum Chief Financial Officer (CFO) (Appointed as CFO w.e.f 28.07.2020)
Mr. Aditya B Manaksia	Whole Time Director
Mr. Bijay Kumar Sahoo	Chief Financial Officer (CFO) (Resigned from CFO on 21.07.2020)
Ms. Raveena Dugar	Company Secretary (CS) (Resigned from CS w.e.f 01.07.2020)

Notes to the Standalone Financial Statements

(d) Close Family members of Key Managerial Personnel:

Name	Relationships
Saroj Devi Agrawal	Wife of Basant Kumar Agrawal

(e) Entities where Key Managerial Personnel has significant influence:

Name	Relationships
Arena Machineries Limited	Entity where KMP has significant influence
Kohinoor Commodeal Private Limited	Entity where KMP has significant influence

(II) Balances and Transactions with Related Parties:

Name of the Parties	Nature of Transactions	Net Transaction During the Period	
		31st March 2020	31st March 2019
		(INR' Lakhs)	
Mr. Basant Kumar Agrawal		84	84
Mr. Navneet Manaksia		54	54
Mr. Aditya B. Manaksia	Remuneration Paid	54	54
Mr. Bijay Kumar Sahoo		13	4
Arena Machineries Limited	Purchase of Goods or Services	2	10
Arena Machineries Limited	Sale of Goods or Services	-	16
BKM Agrotech Private Limited	Investments in Equity Shares	-	1
Euroasian Ventures FZE	Loan Given	-	43
Euroasian Ventures FZE	Interest Income	8	5
Glitter Agencies Private Limited		7	7
Jiwanjyoti Vanijya Private Limited	Rent Paid	7	7
Kohinoor Commodeal Private Limited		23	90
Kohinoor Commodeal Private Limited	Security Deposits Paid Adjusted	295	-

(INR' Lakhs)

Name	Nature of Balance	Balances outstanding as on	
		31st March 2020	31st March 2019
		(INR' Lakhs)	
(a) Investments in Equity Shares:			
(i) Euroasian Ventures FZE	Investments in Subsidiary	3,239	3,239
(ii) Glitter Agencies Private Limited	Investments in Subsidiary	499	499
(iii) Jiwanjyoti Vanijya Private Limited	Investments in Subsidiary	499	499
(iv) BK Manaksia Nigeria Limited	Investments in Subsidiary	82	82
(v) BKM Agrotech Private Limited	Investments in Subsidiary	1	1
(b) Inter-corporate Loans and Deposits:			
(i) Glitter Agencies Private Limited	Rent Security Deposits	450	450
(ii) Jiwanjyoti Vanijya Private Limited	Rent Security Deposits	450	450
(iii) Kohinoor Commodeal Private Limited	Rent Security Deposits	-	295
(iv) Euroasian Ventures FZE	Loans Receivable	174	166
(c) Trade Receivables:			
(i) Arena Machineries Limited	Trade Receivable	-	-
(ii) Euroasian Steels LLC	Trade Receivable	45	45
(ii) Euroasian Ventures FZE	Trade Receivable	586	586

a. Transactions have taken place on arm's length basis.

b. No amount in respect of debts pertaining to the related parties have been written off or written back during the year.

c. No provision for doubtful debts is required to be made for the year in respect of debt due from related parties.

Notes to the Standalone Financial Statements

NOTE - 46: FINANCIAL HEDGING INSTRUMENTS

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
i) Foreign currency payables covered by natural hedge from receivable of Exports & Loans	-	-
ii) Foreign currency exposure Receivable which are not hedged	-	-
iii) For hedging Currency Related Risks :		
Forward Contracts - Outstanding Nominal Value*	-	-

* No hedging instruments was outstanding at the end of both current as well as previous financial year.

NOTE - 47: ASSETS PROVIDED AS SECURITY

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Current Assets:		
Financial Assets		
Trade Receivables	5,024	6,723
Other Financial Assets	-	-
Non Financial Assets		
Inventories	2,193	2,418
Total Current assets provided as security	7,217	9,141
Non Current assets:		
Property, Plant and Equipment	4,926	5,218
Intangible Assets	14	25
Investments	998	998
Total Non - Current assets provided as security	5,938	6,241
Total Assets provided as Security	13,155	15,382

NOTE - 48: DISCLOSURES AS PER IND AS 116 "LEASES"

With effective April 1, 2019, the Company adopted Ind AS 116 "Leases" using the Modified Retrospective Approach which is applied to leases that were within the scope of this standard as of April 1, 2019 and has taken the cumulative adjustment to retained earnings for the year ended March 31, 2020. As a result an amount of INR 127.73 lakhs as fair value of leased asset, included to the Block Buildings (Freehold & leasehold) in the Property, Plant and Equipments (Refer Note No 5) and also recognised equivalent amount as fair value of leased liability, included in the Other non-current liabilities (Refer Note No 21) in the Balance Sheet as at March 31, 2020. For discounting the aforementioned lease recognition the Company has used incremental borrowing rate.

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Agreement on 31st December 2016 with Jiwanjyoti Vanijya Pvt. Ltd. for right to use of Building for official purpose over a period of 60 Years:		
Lease period remaining as on 31.03.2020	57.79 Years	-
Fair Value of lease asset recognised as on 01.04.2019	64	-
Fair Value of lease liability recognised as on 01.04.2019	64	-
Depreciation charged during the period ended 31st March 2020 on the Fair Value of lease asset recognised	1	-
Interest Expenses during the period ended 31st March 2020 on the Fair Value of lease liability recognised	7	-
Agreement on 31st December 2016 with Glitter Agencies Pvt. Ltd. for right to use of Building for official purpose over a period of 60 Years:		
Lease period remaining as on 31.03.2020	57.79 Years	-
Fair Value of lease asset recognised as on 01.04.2019	64	-
Fair Value of lease liability recognised as on 01.04.2019	64	-
Depreciation charged during the period ended 31st March 2020 on the Fair Value of lease asset recognised	1	-
Interest Expenses during the period ended 31st March 2020 on the Fair Value of lease liability recognised	7	-

During the financial year ended 31st March 2020 the Company has provided for lease rental expenses relating to Short-term lease and low-value assets of an amounting to INR 58 Lakhs under the heading "Lease Rent" to the Note No 30.

Notes to the Standalone Financial Statements

NOTE - 49: RECOGNITION OF CORPORATE GUARANTEE AS FINANCIAL LIABILITY

Financial guarantee are contractual right of the lender to receive cash from the guarantor, and a corresponding contractual obligation of the guarantor to pay the lender, if the borrower defaults. The contractual right and obligation exist because of a past transaction or event (assumption of the guarantee), even though the lender's ability to exercise its right and the requirement for the guarantor to perform under its obligation are both contingent on a future act of default by the borrower. A contingent right and obligation meet the definition of a financial asset and a financial liability, even though such assets and liabilities are not always recognised in the financial statements. Based on the measurement principles laid down under Ind AS 109 "Financial Instrument: Recognition and Measurement", the fair value of all those financial guarantee contracts reasonable below to the materiality threshold limit set by the company. Accordingly the entity has made appropriate disclosure in Note 41 without additionally recognising any financial assets or liability.

NOTE - 50: MICRO, SMALL AND MEDIUM (MSME) DUES DISCLOSURE

Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act, as per the information received from them on requests made by the company.

There are no Micro, Small and Medium Enterprises (MSME) to whom the Company owes dues which are outstanding for a period of more than 45 days as at the balance sheet date. The above information and that given under current liabilities regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE - 51: ESTIMATED USEFUL LIVES OF PROPERTY, PLANT & EQUIPMENT (PPE)

(INR' Lakhs)

Financial Classification	Nature	Useful Lives	
		As per Management Estimate	As per Schedule-II of Companies Act 2013
Freehold Building	Building and Factory Sheds	10 to 20	30
	Staff Quarters	60	60
	Tube well/Bore well/Boundary Wall	30	5
	Road	10	10
Furniture & Fixtures	Electrical Installation	10 to 15	10
	Furniture & Fixtures	10	10
Office Equipment	Computer Devices	3 to 10	3
	Computer Network	6	6
	Office Equipment	5 to 15	5
Plant & Machinery	Air Condition	5 to 15	15
	Plant & Machinery	1 to 15	15
	Cycle	10	1
Vehicles	Vehicle other than on Hire	8	8
	Vehicle on Hire	6	6

The useful life has remained constant for comparative and reporting period.

NOTE - 52: REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

(i) During the period ended 31st March, 2020 the Company has conducted a formal review of change in the fair value of lands and no major changes in the fair value have been found. The Company was considered the following fair values for revaluation of its lands which was carried out and also recognised during the period ended 31st March 2018:

(INR' Lakhs)

Particulars	Revaluation of Land (Unit-wise)				
	Hyderabad	Belur	Silvassa	Liluah	Bankura
Date of Revaluation Report	11th March 2017	24th October 2017	31st March 2017	27th July 2017	28th June 2017
Effective date of the revaluation	31st March 2018	31st March 2018	31st March 2018	31st March 2018	31st March 2018
Revaluation by	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.	NANDI and Associates	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.	NANDI and Associates	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.
Carrying amount before revaluation	2	2	5	9	9
Revaluation Amount	849	234	273	866	11
Carrying amount after revaluation	851	236	278	875	20
Depreciation	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.
Fair value Hierarchy	II	II	II	II	II
Valuation techniques	Comparable Market Sales Approach	Land Development Method	Land Development Method	Land Development Method	Comparable Market Sales Approach

Notes to the Standalone Financial Statements

NOTE - 53: DISCLOSURE IN TERMS OF IND-AS 115: REVENUE FROM CONTRACT WITH CUSTOMERS

(InR' Lakhs)

Particulars	31st March 2020	31st March 2019
Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
Revenue from operations:		
♦ Sale of Products	327	3,873
♦ Sale of Services	47	50
♦ Other operating revenue	-	-
	374	3,923
The management has provided for impairment losses/(gain) on contract asset / trade receivable in the reporting period.		
♦ ECL for debtors related to on-going contracts	1,558	-
♦ ECL for debtors related to terminated contracts	-	-
	1,558	-

Disaggregate Revenue

The table below presents disaggregated revenues from contracts with customers by geography/ offerings/ contract-type /contract duration /market or customer type / timing of recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue based on geography:

(InR' Lakhs)

Particulars	31st March 2020	31st March 2019
♦ India	374	3,781
♦ Outside India	-	142
	374	3,923

The disclosure requirement IND AS 108 are given in Note No. 43 and 44 "Segment Reporting" as per Ind AS 108.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(InR' Lakhs)

Particulars	31st March 2020	31st March 2019
Trade receivables - current	5,024	6,723
Trade receivables - non-current	-	-
Contract assets - current	Nil	Nil
Contract assets - non-current	Nil	Nil
Contract liabilities - current	Nil	Nil
Contract liabilities - non-current	Nil	Nil

The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance objectives not yet invoiced and deferred contract acquisition costs, which are amortized along with the associated revenue.

Significant changes in the contract asset and the contract liability balances are as follows:

Particulars	Contract assets	Contract liabilities
Revenue recognised that was included in the contract liability balance at the beginning of the period	Nil	Nil
Increases due to cash received, excluding amounts recognised as revenue during the period	Nil	Nil
Transfers from contract assets recognised at the beginning of the period to receivables	Nil	Nil
Increases as a result of changes in the measure of progress	Nil	Nil

Significant judgements and estimates - timing of satisfaction of performance obligation, transaction price and its allocation

The performance obligation is satisfied usually on delivery of goods or services provided. There are no significant judgement and estimates on transaction price and its allocation. The obligations for returns, refunds and similar obligations are minimal. There are no warranties or related obligations in terms of the existing contract.

Notes to the Standalone Financial Statements

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Contract assets	Contract liabilities
Revenue from contracts with customers (as per Statement of Profit and Loss)	374	3,923
Add: Discounts, rebates, refunds, credits, price concessions	71	450
Less: Incentives, performance bonuses	-	-
Contracted price with the customers	445	4,372

Practical expedients used

In accordance with the practical expedient in Para 63 of Ind AS 115, the Company has not adjusted the promised amount of consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

NOTE - 54: NATURE AND PURPOSE OF RESERVES DISCLOSED UNDER OTHER EQUITY

(INR' Lakhs)

Particulars	Purpose
(a) Capital Reserve	Capital Reserve was created in the financial year 2014-15 as a result of cancellation of shares.
(b) General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 2013 and dividend was declared out of this reserve (for the financial year 2016-17) during financial year 2017-18.
(c) Retained Earnings	Retained Earnings contains the balance of accumulated earnings to be carried forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet date.
(d) Securities Premium	Securities Premium has been created in consequence of issue of ordinary equity shares.
(e) Revaluation Reserves	Revaluation reserves has been created through Other Comprehensive Income (OCI) during financial year 2017-18 as a results of first-time revaluation of Land.

NOTE - 55: DETAILS OF INVESTMENTS IN SUBSIDIARIES

(INR' Lakhs)

Name of the Subsidiaries	As at 31st March 2020		As at 31st March 2019	
	Fair Value	Cost	Fair Value	Cost
(a) Euroasian Ventures FZE	-	3,239	-	3,239
(b) Glitter Agencies Private Limited	-	499	-	499
(c) Jiwanyoti Vanijya Private Limited	-	499	-	499
(d) BK Manaksia Nigeria Limited	-	82	-	82
(e) BKM Agrotech Private Limited	-	1	-	1
Total	-	4,320	-	4,320

NOTE - 56: COVENANTS OF BORROWINGS

Details of Repayment Schedule, Interest Rate of Borrowings as on 31 March 2020:

Particulars of Loans	Repayment Tenure	Rate of Interest
(a) HDFC Vehicle Loan-45301374	31 EMI	8.51%
(b) HDFC Vehicle Loan-44604703	3 EMI	9.50%
(c) HDFC Vehicle Loan-44604996	2 EMI	9.50%
(d) HDFC Vehicle Loan-47472636	7 EMI	9.25%
(e) HDFC Vehicle Loan-47474049	6 EMI	9.25%
(f) HDFC Vehicle Loan-47472193	5 EMI	9.25%
(g) Indiabulls Term Loan-HHLKLM00311157	94 EMI	11.50%
(h) Indiabulls Term Loan-HHLKLM00310690	94 EMI	11.50%
(i) Indiabulls Term Loan-HHEKLM00313016	95 EMI	11.50%
(j) Indiabulls Term Loan-HHEKLM00313395	96 EMI	11.50%
(k) ICICI Bank Term-Loan	16 Quarterly	10.75%

Notes to the Standalone Financial Statements

Details of Repayment Schedule, Interest Rate of Borrowings as on 31 March 2019:

Particulars of Loans	Repayment Tenure	Rate of Interest
(a) HDFC Vehicle Loan-45301374	35 EMI	8.51%
(b) HDFC Vehicle Loan-44604703	11 EMI	9.50%
(c) HDFC Vehicle Loan-44604996	10 EMI	9.50%
(d) HDFC Vehicle Loan-47472636	14 EMI	9.25%
(e) HDFC Vehicle Loan-47474049	14 EMI	9.25%
(f) HDFC Vehicle Loan-47472193	14 EMI	9.25%
(g) Indiabulls Term Loan-HHLKLM00311157	94 EMI	11.50%
(h) Indiabulls Term Loan-HHLKLM00310690	94 EMI	11.50%
(i) Indiabulls Term Loan-HHEKLM00313016	95 EMI	11.50%
(j) Indiabulls Term Loan-HHEKLM00313395	96 EMI	11.50%
(k) ICICI Bank Term-Loan	16 Quarterly	10.75%

NOTE - 57

Pursuant to the provisions of the Companies Act, 2013 read with Investors Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividends unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of share holders for the financial year 2016-17 (declared on September 18, 2017 of INR 0.20 per share) lying in the Unpaid Dividend Account of the Company and as on September 18, 2024 will be transferred to IEPF on the due date i.e. September 19, 2024.

NOTE - 58

Out of 8 manufacturing facilities ('facilities'), the company has already discontinued its operations at 3 facilities till 31st March 2020 and communicated to the stock exchange on its intent to suspend the operation at 3 facilities from now onwards. However, the management is exploring options to revive the operations and cash flows in near future so as to maintain the going concern status of the entity. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

NOTE - 59

The Company has sold lease hold land and discontinued its manufacturing operations of one of its plant located at Bhopal district in the state of Madhya Pradesh. Accordingly, net profit/ (loss) of such manufacturing operations of an amounting to INR (23) lakhs disclosed separately in the Statement of Profit and Loss of the Company for the year ended March 31, 2020 as a single item in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Furthermore, the Property, Plant and Equipment of an amounting to INR 67 lakhs with respect to this plant classified in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and disclosed under "Non-current assets held for disposal" in the Balance Sheet as at 31st March 2020.

NOTE - 60

Figures for the previous year have been re-arranged and re-grouped wherever necessary.

As per our report of even date attached.

For SRB & Associates
 Chartered Accountants
 F. Regd. No. 310009E

Sd/-
Bisworanjan Sutar
 Partner
 M. No. 066708

Date : 28th July 2020
 Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
 Chairman cum Managing Director
 DIN: 520558

Sd/-
Aditya B Manaksia
 Whole Time Director
 DIN:614488

Sd/-
Navneet Manaksia
 Whole Time Director cum CFO
 DIN: 438612

CONSOLIDATED FINANCIALS

Auditor's Report
Balance Sheet
Statement of Profit and Loss
Statement of Changes in Equity
Cash Flow Statement
Notes to Financial Statement

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BKM INDUSTRIES LIMITED

Report on the audit of the consolidated financial statements

OPINION

We have audited the accompanying Consolidated Financial Statements of BKM Industries Limited ("the Holding Company" or "the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated 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 Consolidated Financial Statements").

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

BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

EMPHASIS OF MATTERS

We draw attention to the following notes of the Consolidated Financial Statements. Our opinion is not modified in respect of these matters,

1. Note 7 "Trade Receivables-Impairment loss/ (gain) on financial assets" to the Consolidated Financial Statements which indicate that as at the reporting date the management has reviewed the recoverability of trade receivables. Based on which the Group has provided for expected credit loss of INR 1558 lakhs to the extent of non-recoverability of trade receivables in accordance with Ind AS -109 "Financial Instruments: recognition & measurement" during the year ended 31st March, 2020. This is included in Note No 30 "Other Expenses-Impairment (loss)/gain on financial assets" in the Consolidated Financial Statements for the year ended March 31, 2020.
2. Note 17 "Borrowings" to the Consolidated Statements which indicate that Due to irregularity in payment of Borrowings, as at 31st March, 2020 the Company's loan accounts in the Banks and Other Financial Institutions have got NPA due to overdue of Interest and Principal amounting to INR 10503 lakhs. Further these Bank and Other Financial Institutions have already initiated notice under section 13(2) of the SRFAESI Act, 2002, against which the Company has responded accordingly.
3. Note 56 to the Consolidated Financial Statements which indicates that the Company out of 8 manufacturing facilities ('facilities'), the company has already discontinued its operations at 3 facilities till 31st March 2020 and communicated to the stock exchange on its intent to suspend the operation at 3 facilities from now onwards. However, the management is exploring options to revive the operations and cash flows in near future so as to maintain the going concern status of the Group. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.
4. Note 57 to the Consolidated Financial Statements which indicates that the Company has sold lease hold land and discontinued its manufacturing operations of one of its plant located at Bhopal district in the state of Madhya Pradesh. Accordingly, net profit/ (Loss) from such manufacturing operation of an amounting to INR (23) lakhs disclosed separately in the Statement of Profit and Loss of the Company for the year ended March 31, 2020 as a separate item in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Furthermore the Property, Plant and Equipment (Refer Note No 5 to the Consolidated Financial Statements) of an amounting to INR 67 lakhs with respect to this plant classified in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and disclosed under "Non-current assets held for disposal" in the Balance Sheet as at 31st March 2020.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Principal Audit Procedures
1.	As at the reporting date the carrying amount of the net assets of the Group is more than its market capitalization on Consolidated basis. This provides an indication for occurrence of Impairment Loss in accordance with Ind-AS 36 "Impairment loss". However, based on the formal estimates by the management the recoverable value will exceed the carrying amount of the net assets of the Group. Hence, no impairment loss recognized in the Consolidated Financial Statements for the period ended March 31, 2020.	We have discussed with the Management and Audit Committee backed by detailed workings on future projections and sustainability plans.
3.	Contingent Liabilities pending starting from financial year 2011-12, Non-payment of tax liability of INR 135 lakhs & Non-filing of Income Tax Returns for the financial year 2017-18 & recoverability of deposits made against Appeals with Government Authorities.	We have involved our internal experts to review the nature of the amounts recoverable and payables, the sustainability and the likelihood of recoverability upon final resolution.
3	<p>Allowance for Credit Losses:</p> <p>The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses.</p>	<p>Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses. For a sample of customers: We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Group.</p>

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act

read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the 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 Board of Directors of the company included in the Group is also responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- i. 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.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its Subsidiary companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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.
- v. 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.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not

be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We draw attention to the following matters not indicated in the Consolidated Financial Statements. Our opinion is not modified in respect of these matters. The accompanying Consolidated Financial Statements include the un-audited financial statements and other financial information of its subsidiaries, whose financial statements include total assets of INR 19,048 lakhs as at March 31, 2020, total revenues of INR 2 lakhs, total net profit/ (loss) after tax of INR (62) lakhs, total comprehensive profit/ (loss) of INR (62) lakhs, for the year ended on that date, and net cash outflows of INR 1 lakhs for the year ended March 31, 2020. Our opinions on the Consolidated Financial Statements, in so far as it relates to the un-audited financial statements and other financial information of subsidiaries, are based solely on such unaudited financial statement. In our opinion, and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'; and
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and its subsidiary companies which are companies incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Holding Company has disclosed the pending litigations in its Consolidated Financial Statements.
 - ii. The Holding Company did not have any long-term contracts including derivative contracts. Accordingly, no provision for material foreseeable losses have been made; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

For SRB & Associates

Chartered Accountants
Firm Registration No310009E

Sd/-

Bisworanjan Sutar

Partner
Membership No-066708
UDIN: 20066708AAAABR1286

Kolkata, 28th July, 2020

ANNEXURE –A

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 March 31, 2020, we have audited the internal financial controls over financial reporting of BKM Industries Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company and its Subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

OTHER MATTERS

Our aforesaid report under section 143(3)(1) of the Act on the adequacy and operating effectiveness of the Internal Financial Control Over Financial Reporting in so far as it relates to three Subsidiary Companies, which are companies incorporated in India. Our opinion is not qualified in respect of this matter.

For SRB & Associates

Chartered Accountants
Firm Registration No310009E

Sd/-

Bisworanjan Sutar

Partner
Membership No-066708
UDIN: 20066708AAAABR1286

Kolkata, 28th July, 2020

CONSOLIDATED BALANCE SHEET

(INR' Lakhs)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
I. ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	5	14,694	15,362
(b) Capital work-in-progress	5	6,059	6,453
(c) Intangible assets	5	19	30
(d) Intangible assets under development	-	-	-
(e) Financial Assets			
(i) Investments	6	-	-
(ii) Trade receivables	7	-	-
(iii) Loans	8	10,310	11,784
(iv) Other financial assets	9	13	-
(f) Deferred tax assets (net)	-	-	-
(g) Other non-current assets	10	7	127
2. Current assets			
(a) Inventories	12	2,749	2,991
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade receivables	7	3,138	3,902
(iii) Cash & cash equivalents	13	201	215
(iv) Bank balances other than (iii) above	9	1	67
(v) Loans	8	-	-
(vi) Other financial assets	9	12	7
(c) Current Tax Assets (net)	14	23	20
(d) Other current assets	10	1,101	2,731
3. Non-current assets held for disposal			
	5 & 57	67	10
TOTAL ASSETS		38,394	43,699
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	15	655	655
(b) Other Equity	16	14,594	17,413
Attributable to owners of BKM Industries Limited		15,249	18,068
Non-controlling Interest		163	163
2. Liabilities			
(i) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2,351	7,190
(ii) Trade payables	18	-	-
(A) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(iii) Other financial liabilities	19	35	35
(b) Provisions	20	330	309
(c) Deferred tax liabilities (net)	11	194	632
(d) Other non-current liabilities	-	-	-
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	12,271	10,122
(ii) Trade payables	18	-	-
(A) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	6,187	5,905
(iii) Other financial liabilities	19	823	677
(b) Other current liabilities	21	726	554
(c) Provisions	20	65	44
TOTAL EQUITY AND LIABILITIES		38,394	43,699

Significant accounting policies

1 & 2

Notes forming an integral part of financial statements

3 to 59

As per our report of even date attached.

 For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

 Sd/-
Biswornjan Sutar
Partner
M. No. 066708

 Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

 Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

 Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

 Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(INR' Lakhs)

Particulars	Notes	For the year ended 31st March 2020	For the year ended 31st March 2019
Income			
I. Revenue from Operations	22	375	4,510
II. Other Income	23	193	116
III. Other Gains/(Losses)	24	302	118
Total Income		870	4,744
IV. Expenses			
(a) Cost of Materials Consumed	25a	223	1,569
(b) Changes in Inventories (increase) /decrease	26	53	2,839
(c) Purchase of Stock In Trade	25b	-	1,803
(d) Depreciation and Amortization expenses	5	374	414
(e) Operating and Manufacturing Expenses	27	83	377
(f) Employee Benefit Expenses	28	303	1,126
(g) Finance cost	29	542	1,465
(h) Other Expenses	30	2,631	899
Total expenses		4,209	10,492
V. Profit Before exceptional items and tax		(3,339)	(5,748)
Exceptional items		-	-
VI. Profit Before Taxes		(3,339)	(5,748)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Deferred Tax Expenses/(Income)		(440)	(246)
VIII. Profit (Loss) from continuing operations		(2,899)	(5,502)
Profit (loss) from discontinued operations before tax		(23)	-
Tax expense of discontinued operations		-	-
IX. Profit (Loss) from discontinued operations (after tax)	57	(23)	-
X. Profit (Loss) for the year		(2,922)	(5,502)
XI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss :			
(a) Revaluation Surplus of Property Plant & Equipment	51	-	-
(b) Re-measurement of defined employee benefit plans	35	7	48
(ii) Income tax relating to items that will not be reclassified to profit or loss :			
(a) on Revaluation Surplus on Property, Plant & Equipment	33	-	-
(b) on Re-measurement of defined employee benefit plans	33	(2)	(15)
B (i) Items that will be reclassified to profit or loss :			
(a) Changes in investments other than equity shares carried at Fair Value through OCI (FVOCI)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss :			
		5	33
XII. Total Other comprehensive Income after tax		5	33
XIII. Total comprehensive income for the period		(2,917)	(5,469)
Profit (Loss) for the Period Attributable to:			
Owners of BKM Industries Limited		(2,922)	(5,502)
Non-controlling Interest		-	-
Total Comprehensive Income for the Period Attributable to:			
Owners of BKM Industries Limited		5	33
Non-controlling Interest		-	-
XIV. Earnings per equity share (for continuing operation):			
(1) Basic		(4.42)	(8.40)
(2) Diluted		(4.42)	(8.40)
XV. Earnings per equity share (for discontinued operation):			
(1) Basic		(0.04)	-
(2) Diluted		(0.04)	-
XVI. Earnings per equity share (for continuing & discontinued operations):			
(1) Basic		(4.46)	(8.40)
(2) Diluted		(4.46)	(8.40)
Significant accounting policies	1 & 2		
Notes forming an integral part of financial statements	3 to 59		

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Biswaranjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(INR' Lakhs)

A. Equity Share Capital

Particulars	Amount
As at 31 March 2018	655
Changes in equity share capital	-
As at 31 March 2019	655
Changes in equity share capital	-
As at 31 March 2020	655

B. Other Equity

Particulars	Attributable to owners of BKM Industries Limited									Total (A+B)
	Share application money pending allotment	Reserves & Surplus					Other Comprehensive Income Revaluation Reserves	Total other equity (A)	Non-Controlling Interest (B)	
		Capital Reserves	General Reserves	Securities Premium	Retained Earnings	Exchange Fluctuation Reserves				
Balance at 31 March 2018	-	4,522	6,301	4,171	6,493	(188)	1,460	22,759	163	22,922
Profit for the year	-	-	-	-	(5,502)	-	-	(5,502)	-	(5,502)
Other comprehensive income	-	-	-	-	33	-	-	33	-	33
Total comprehensive income for the year	-	-	-	-	(5,469)	-	-	(5,469)	-	(5,469)
Other Adjustments	23	-	-	-	-	100	-	123	-	123
Issue of equity shares	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2019	23	4,522	6,301	4,171	1,024	(88)	1,460	17,413	163	17,576
Profit for the year	-	-	-	-	(2,922)	-	-	(2,922)	-	(2,922)
Other comprehensive income	-	-	-	-	5	-	-	5	-	5
Total comprehensive income for the year	-	-	-	-	(2,917)	-	-	(2,917)	-	(2,917)
Other Adjustments	-	-	-	-	-	98	-	98	-	98
Issue of equity shares	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	23	4,522	6,301	4,171	(1,893)	10	1,460	14,594	163	14,757

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Bisworanjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

CONSOLIDATED STATEMENT OF CASH FLOWS

(INR' Lakhs)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A Operating Activities		
Profit before tax from continuing operations	(3,339)	(5,748)
Profit/(loss) before tax from discontinuing operations	(23)	-
Profit before tax	(3,362)	(5,748)
Adjustments for:		
Depreciation on Property, Plant and Equipment	368	403
Amortisation of intangible assets	11	11
Finance Cost (including fair value changes in financial instruments)	542	1,465
Net foreign exchange differences (including exchange fluctuation on subsidiaries translation and PPE)	546	326
Interest Income (including fair value changes in financial instruments)	(194)	(116)
Dividend Income	-	-
Provision for Gratuity	39	(6)
(Profit)/Loss on sales of Property, Plant and Equipment	(147)	(1)
Net (Gain)/Loss on remeasurement of Financial Assets carried FVTPL	1,953	21
Operating profit / (loss) before working capital changes	(244)	(3,645)
Working capital adjustments:		
Decrease/(Increase) in Trade receivables	(794)	2,871
Decrease/(Increase) in Loans	1,644	(1,109)
Decrease/(Increase) in Inventories	242	3,294
Decrease/(Increase) in Other financial assets	48	97
Decrease/(Increase) in Other current assets	1,785	(1,290)
(Decrease)/Increase in Trade payables	282	1,744
(Decrease)/Increase in Other financial liability	148	(1)
(Decrease)/Increase in Other current liability	172	(5,584)
(Decrease)/Increase in Provisions	10	94
	3,293	(3,529)
Income taxes paid	(3)	(14)
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES (A)	3,290	(3,543)
B Investing Activities		
Purchase of Property, Plant and Equipment (PPE)	-	(48)
Purchase of Intangible Assets	-	-
Changes in Capital Work In Progress	-	(2,344)
Other non-current assets	(275)	(54)
Sale of Property, Plant and Equipment	176	36
(Purchase)/Sale of Investments	-	-
Interest received (finance income)	25	94
Dividend received	-	-
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES (B)	(74)	(2,316)
C Financing Activities		
Proceeds from issue of equity shares	-	-
Interest paid	(406)	(1,194)
Proceeds/(Repayment) from borrowings	(2,824)	7,151
Changes in Non-Controlling Interest	-	-
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES (C)	(3,230)	5,957
Net increase (decrease) in cash and cash equivalents (A+B+C)	(14)	98
Cash and cash equivalents at the beginning of the year	215	117
Cash and cash equivalents at year end	201	215

This statement of cash flows have been prepared as per indirect method as prescribed under Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached.

 For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

 Sd/-
Bisworanjan Sutar
Partner
M. No. 066708

 Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

 Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

 Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

 Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

Notes to the Consolidated Financial Statements

NOTE - 1: BACKGROUND

BKM Industries Limited (the "Company") is a public limited company incorporated and domiciled in India. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited, in India. The company and its subsidiaries (the "Group") is engaged in the manufacturing and trading of Packaging Products, Marine Business and Steel Business. The company has prepared consolidated financial statements in pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

NOTE - 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with Ind AS :

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

(ii) Historical cost convention :

The financial statements have been prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that is measured at fair value;
- b) Net Defined Obligations
- c) Non Current Assets held for disposal

(iii) Current And Non -Current Classification

All assets and liabilities have been classified as current and non-current as per the group's operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The group has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

(iv) New and amended standards adopted by the Company

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- a. Ind AS 116 "Leases", the Group has changed its accounting policies and made certain retrospective adjustments following the adoption of Ind AS 116. The said Ind AS did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

2.2 Principles of Consolidation:

The Consolidated Financial Statements consist of BKM Industries Limited (the 'group') and its subsidiary companies (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

(i) Subsidiaries:

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from continuous involvement with the entity and has ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date on which control ceases.

The group consolidates the financial statements of the parent and its subsidiaries by adding line by line together like items of assets, liabilities, equity, income and expenses. Intergroup balances, transactions and unrealized gains or losses on transactions between the group companies are eliminated. Accounting policies of subsidiaries have been changed and realigned wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling Interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interests in the subsidiary is recognized within equity.

(ii) Joint Ventures and Associates:

The group does not have any material Joint Venture and Associates.

(iii) Loss of Control:

When the group ceases to consolidate or do equity accounting of an investment because of loss of control or joint control, any retained interest in the investee is measured to its fair value with the change in carrying amount recognized in the statement of profit and loss.

Notes to the Consolidated Financial Statements

In addition any amount previously recognized in other comprehensive income in respect of the entity are accounted for as if the group had directly disposed of the related assets or liabilities.

(iv) Foreign Operations:

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows :

- (a) Assets and liabilities are translated at closing rate at the date of balance sheet.
- (b) Income and expenses are translated at average exchange rates and
- (c) All resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold ,the associated exchange differences are reclassified to profit or loss as a part of the gain or loss on sale of investment.

Goodwill and fair value adjustments arising on the acquisition of foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.3 Property, Plant and Equipment, Intangible Assets and Capital Work-in-progress

i) Recognition and Measurement

During the financial year 2019-20 the Freehold land carried as per revaluation model adopted during the financial year 2017-18, less accumulated depreciation and impairment. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets ,as appropriate , only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted as separate assets is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The cost of Property, plant and equipment not available for use as on each reporting date are disclosed under capital work-in-progress.

ii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the Straight Line Method (SLM) to allocate their cost ,net of their residual values over their estimated useful lives. The useful lives have been determined based on the technical evaluation done by the independent experts which are in line with the Schedule II to the Companies Act ,2013.
- b) Any assets whose aggregate actual cost does not exceed five thousands rupees has been fully charged off in the year of addition.
- c) The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed and adjusted at the end of each reporting period.
- d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata-basis from the date of such addition or, as the case may be, up to the date on which such assets has been derecognized.
- e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
- f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).
- g) Depreciation includes amortisation of lease-hold land over the period of lease.

iii) Intangible assets:

a) Recognitions and Measurements :

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

b) Amortisation methods and periods

Intangible Assets with finite useful lives are amortized on straight line basis over their estimated useful lives.

2.4 Revenue recognition:

The Group recognises revenue from the following major sources:

- a. Sale of Services.

Notes to the Consolidated Financial Statements

- b. Sale of Products.
- c. Other operating revenue.

The Group adopts the following criteria as for recognizing the revenue:

a) Sale of Products or Services-Time and Material Contracts

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Revenue was reduced for estimated customer returns, rebates and similar allowances. Revenue from sale of goods was recognised when the goods were delivered and titles have passed. i.e. The Group had transferred to the buyer the significant risks and rewards of ownership of goods; the Group retained neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; the amount of revenue could be measured reliably; it was probable that the economic benefits associated with the transaction would flow to the Group; and the costs incurred or to be incurred in respect of the transaction could be measured reliably. The Group recognizes revenue on the sale of goods, net of discounts, sales incentives and rebates granted when control of the goods is transferred to the customer.

Revenue on time and material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as revenue. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

b) Nature, timing of satisfaction of performance obligation and transaction price (Fixed and Variable)

The Group recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods or services are delivered to the customer or when the customer purchases the goods or services from the Group). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery. At inception of the contract, Group assesses the goods or services promised in a contract with a customer and identifies each promise to transfer to the customer as a performance obligation which is either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Based on the terms of the contract and as per business practice, the Group determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excluded amount collected on behalf of third parties such as taxes.

c) Contract combination and modification

The Group combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and accounts for the contracts as a single contract if the contracts are negotiated as a package with a single commercial objective; or the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or the goods or services promised in the contracts are a single performance obligation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involve assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

d) Contract assets, Contract liabilities and Trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues). A receivable is recognised by the Group when the control over the goods or services is transferred to the customer such as when goods are delivered or services are provided as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 90 to 180 days.

2.5 Other Incomes

- 1) Insurance claims has been recognized as revenue on cash basis.
- 2) Dividends shall be recognised as revenue when the shareholder's right to receive payment is established.
- 3) Interest shall be recognised as revenue using the effective interest method as set out in Ind AS 109.
- 4) Revenue other than above is recognised only when it is probable that the economic benefits associated with the transaction will flow to the

Notes to the Consolidated Financial Statements

entity. However, when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount or the amount in respect of which recovery has ceased to be probable is recognised as an expense, rather than as an adjustment of the amount of revenue originally recognised.

2.6 Inventories:

Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, loose tools and Erection materials are valued at weighted average cost.
- b) Finished goods are stated at lower of Cost or Net Realisable Value.
- c) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

Cost of raw materials and stores comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

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

2.7 Financial Instruments

Financial assets and liabilities are recognized when the group becomes a party to the contractual provisions of the instrument.

Financial Assets

(i) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less of provisions for impairment.

(ii) Other Financial Assets

a) Classifications

The group classifies its financial assets in the following categories:

- # Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).
- # Those measured at amortised costs.

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements

Initial Recognition:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in profit or loss.

Subsequent Measurement:

There are three subsequent measurement categories into which the group classifies its debt instruments financial assets:

i) measured at amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

ii) measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

iii) measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition.

iv) Equity instruments

An equity instruments is a contract that evidences residual interest in the assets of the group after deducting all of its liabilities. Equity instruments recognised at the proceeds received net off direct issue cost.

Notes to the Consolidated Financial Statements

All equity instruments classified under financial assets are subsequently measured at fair value. The group has made an irrecoverable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

c) Impairment of Financial Assets :

The group assesses on forward looking basis the expected credit losses associated with its assets carried at amortized costs. The impairment methodology applied depends on whether there has been significant increase in credit risks.

For trade receivables only, the group has applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized from initial recognition of the receivables.

d) Derecognition of Financial Assets :

A financial assets is derecognized only when :

The group has transferred the rights to receive cash flows from the financial assets or

retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial Liabilities

a) Borrowings:

- i. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.
- ii. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).
- iii. Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

b) Trade and other payables:

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 45 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

c) Other Financial Liabilities

Financial liabilities are measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate method. Gain and losses recognized in profit and loss when the liabilities are derecognized.

d) Offsetting of Financial Instruments:

A financial asset and a financial liability shall be offset and the net amount presented in the balance sheet when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.8 Employee benefits :

(i) Short-term employee benefit obligations

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

Notes to the Consolidated Financial Statements

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Profit and Loss Statement.

(ii) Post-employment obligations

The entity operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, Superannuation and
- (b) defined contribution plans such as provident fund.

Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Profit and loss Statement on accrual basis.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less that fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur , directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

2.9 Foreign currency translation:

(i) Functional and presentation currency

Each items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions i.e. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non monetary items that are measured that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

2.10 Income tax:

- i. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- iii. Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The group offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.

Notes to the Consolidated Financial Statements

- iv. Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- v. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.11 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.12 Borrowing costs:

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

2.13 Provisions & Contingent Liabilities:

- a) A provision is recognized if, as a result of a past event, the group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.
- b) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.14 Contributed equity:

a) Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

b) Dividends:

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

2.15 Earning Per Share

a) Basic Earning Per Share

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the group by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earning Per Share

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interests or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to the Consolidated Financial Statements

2.16 Segment Reporting

Ind AS 108 "Operating Segments", establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segments of the group are primarily enterprises in packaging products and all other segments. All other segments represents the operating segments of businesses in India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for "all other segments" represents revenue generated from customers located in India. Allocated expenses of segments include expenses incurred for rendering services. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the group.

Assets and liabilities used in the group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Geographical information on revenue and business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

2.17 Leases:

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

2.18 Investment Properties:

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property are recognized at the carrying amount of the property.

2.19 Research and Development:

Unless dealt under respective Ind AS, research and development expenditure of revenue nature are charged to the Statement of Profit and Loss, while capital expenditure are added to the cost of fixed assets in the year in which these are incurred.

2.20 Government Grants:

Grants from government are recognized at their fair value where there is a reasonable assurance that the grants will be received and the group will comply all conditions.

Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Notes to the Consolidated Financial Statements

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit and loss on a straight line basis over the expected life's of the related assets and presented within other income.

2.21 Rounding of amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR' Lakhs as per the requirement of Division II to Schedule III of the Companies Act, 2013, unless otherwise stated.

NOTE - 3: RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Pronouncement Issued but not effective:

a) Amendment to (Ind AS)-103 "Business Combination":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-103"Business Combination". An entity shall determine whether a transaction or other event is a business combination by applying the definition in this Ind AS, which requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business, the reporting entity shall account for the transaction or other event as an asset acquisition. Paragraphs B5–B12D provide guidance on identifying a business combination and the definition of a business. Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

b) Amendment to (Ind AS)-107 "Financial Instruments: Disclosures":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-107 "Financial Instruments: Disclosures". For hedging relationships to which an entity applies the exceptions set out in paragraphs 6.8.4-6.8.12 of Ind AS 109, an entity shall disclose-

- (a) the significant interest rate benchmarks to which the entity's hedging relationships are exposed;
- (b) the extent of the risk exposure the entity manages that is directly affected by the interest rate benchmark reform;
- (c) how the entity is managing the process to transition to alternative benchmark rates;
- (d) a description of significant assumptions or judgements the entity made in applying these paragraphs (for example, assumptions or judgements about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows); and
- (e) the nominal amount of the hedging instruments in those hedging relationships.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Group will not have any impact on the account of this amendments.

c) Amendment to (Ind AS)-109 "Financial Instruments":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-109"Financial Instruments". Temporary exceptions from applying specific hedge accounting requirements:

6.8.1 An entity shall apply paragraphs 6.8.4–6.8.12 and paragraphs 7.1.8 and 7.2.26(d) to all hedging relationships directly affected by interest rate benchmark reform. These paragraphs apply only to such hedging relationships. A hedging relationship is directly affected by interest rate benchmark reform only if the reform gives rise to uncertainties about-

- (a) the interest rate benchmark (contractually or non-contractually specified) designated as a hedged risk; and/or
- (b) the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

7.2.26 As an exception to prospective application of the hedge accounting requirements of this Standard, an entity shall apply the requirements in Section 6.8 retrospectively. This retrospective application applies only to those hedging relationships that existed at the beginning of the reporting period in which an entity first applies those requirements or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve that existed at the beginning of the reporting period in which an entity first applies those requirements.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Group will not have any impact on the account of this amendments.

d) Amendment to (Ind AS)-116 "Leases":

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-116"Leases". The new paragraph 46A inserted-

As a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification. 46B The practical expedient in paragraph 46A applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

Notes to the Consolidated Financial Statements

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June, 2021 and increased lease payments that extend beyond the 30th June, 2021); and
- (c) there is no substantive change to other terms and conditions of the lease. Lessee shall apply Covid-19-Related Rent Concessions retrospectively.

The Group is evaluated the effect of this amendment on this consolidated financial statements and it does not have any impact on the account of this amendments.

e) Amendment to (Ind AS)-10 “Events after the Reporting Period”:

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-10“Events after the Reporting Period”. The substitution of paragraph 21 If non-adjusting events after the reporting period are material, non-disclosure could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. Accordingly, an entity shall disclose the following for each material category of non-adjusting event after the reporting period-

- (a) the nature of the event; and
- (b) an estimate of its financial effect, or a statement that such an estimate cannot be made.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Group is evaluated the effect of this amendment on this consolidated financial statements and it does not have material category of non-adjusting event after the reporting period.

f) Amendment to (Ind AS)-37 “Provisions, Contingent Liabilities and Contingent Assets”:

On 24th July 2020 Ministry of Corporate affairs has Issued amendment to (Ind AS)-37“Provisions, Contingent Liabilities and Contingent Assets”. The substitution of paragraph 75-A management or board decision to restructure taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period-

- (a) started to implement the restructuring plan; or
- (b) announced the main features of the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will carry out the restructuring.

Effective date for application of this amendment is annual period beginning on or after April 1, 2020. The Group does not have any impact on the account of this amendments.

NOTE - 4: CRITICAL ESTIMATES AND JUDGEMENTS

a) Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries, excluding expected credit loss and impairment loss recognised in accordance with Ind AS-109 and 36 respectively. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information, other related informations and economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group’s financial statements may differ from that estimated as at the date of approval of these financial statements.

Notes to the Consolidated Financial Statements

c) Critical Accounting Estimates:

i) Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii) Income Taxes

The group's major tax jurisdictions is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Defined benefit obligation

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

iv) Impairment of trade receivables

The group estimates the collectability of accounts receivables by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of customer deteriorates, additional allowances may be required.

v) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/ internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital (WACC). However, based on the formal estimates by the management the recoverable value will exceed the carrying amount of the net assets of the Group. Hence, no impairment loss recognized in the Consolidated Financial Statements for the period ended March 31, 2020.

NOTE - 5: PROPERTY, PLANT AND EQUIPMENT

(INR' Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings (Freehold)	Furniture, Fittings and Equipment	Plant and Machinery	Office Equipment	Vehicles	TOTAL	Capital Work-in-Progress	Intangible Assets
Gross Carrying Amount										
At 31st March, 2018	2,538	9	5,953	516	19,873	319	685	29,893	4,283	86
Asset taken over on consolidation	-	-	-	-	-	-	-	-	-	-
Additions/Adjustments during the year	7	23	192	-	-	0	-	222	2,344	-
Disposals/ Capitalised during the year	-	-	-	-	(314)	-	-	(314)	(174)	-
Exchange Fluctuation	(14)	-	(47)	(8)	(271)	7	(10)	(343)	-	(1)
At 31st March, 2019	2,531	32	6,098	508	19,288	326	675	29,458	6,453	85
Asset taken over on consolidation	-	-	-	-	-	-	-	-	-	-
Additions/Adjustments during the year	-	-	-	-	-	-	-	-	-	-
Disposals/ Capitalised during the year	-	(32)	-	-	-	-	-	(32)	-	-
Exchange Fluctuation	(7)	-	(29)	(0)	(171)	(1)	(6)	(214)	(394)	(0)
At 31st March, 2020	2,524	0	6,069	508	19,117	325	669	29,212	6,059	85
Accumulated Depreciation and Impairment										
At 31st March, 2018	-	2	1,149	454	11,744	291	324	13,964	-	44
Depreciation charge for the year	-	0	102	8	262	8	23	403	-	11
Disposals during the year	-	-	-	-	(279)	-	-	(279)	-	-
Exchange Fluctuation	-	-	-	-	(2)	-	-	(2)	-	-
At 31st March, 2019	-	2	1,251	462	11,725	299	347	14,086	-	55
Depreciation charge for the year (Refer Note III below)	-	1	111	5	224	6	21	368	-	11
Disposals during the year	-	(3)	-	-	-	-	-	(3)	-	-
Exchange Fluctuation	-	-	-	-	-	-	-	-	-	-
At 31st March, 2020	-	0	1,362	467	11,949	305	368	14,451	-	66
Net Book Value At 31st March, 2020	2,524	(0)	4,707	41	7,168	20	301	14,761	6,059	19
Net Book Value At 31st March, 2019	2,531	30	4,847	46	7,563	27	328	15,372	6,453	30

Notes to the Consolidated Financial Statements

Net Book Value:

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Property, Plant and Equipment (PPE)		
(a) PPE other than held for sale	14,694	15,362
(b) PPE held for sale (Refer Note V below)	67	10
Capital Work-in-progress	6,059	6,453
Intangible Assets	19	30

- (I) Details of Property, Plant & Equipment pledged as security - Refer Note No.45.
- (II) Refer Note No. 48 for estimated useful lives of different class of Property, Plant & Equipment.
- (III) Depreciation expenses of INR 5.30 lakhs during the period allocated to operation discontinued (Refer Note No. 57) has been included in the Profit (loss) from discontinued operations before tax in the Statement of Profit and Loss as a separate line item.

(IV) The details of retired asset as at end of each period is as below :-

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Property, Plant and Equipment	202	202
Capital Work-in-progress	-	-
Intangible Assets	-	-

(V) The details of Assets held for sale as at end of each period is as below :-

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Property, Plant and Equipment		
Opening Balance/Deemed Cost	10	-
(+) Additions	67	10
(-) Deletions	(10)	-
Carrying Amount/Deemed Cost	67	10

NOTE - 6: INVESTMENTS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Investment in Equity Instruments:	-	-
Total	-	-
(i) Non-current	-	-
(ii) Current	-	-
Investments measured:	-	-
(a) At Amortized Cost	-	-
(b) At Fair Value through Profit & Loss (FVPL)	-	-
(c) At Fair Value through Other Comprehensive Income (FVOCI)	-	-

Notes to the Consolidated Financial Statements

NOTE - 7: TRADE RECEIVABLES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Secured, considered good		
(i) Non-Current	-	-
Sub-Total	-	-
(ii) Current		
Gross Trade Receivables	5,320	4,526
Less: Trade Receivable Written off	-	-
Less: Impairment loss/(gain) on financial assets	(2,182)	(624)
Sub-Total	3,138	3,902
Total	3,138	3,902

During the period ended 31st March, 2020, the Group has provided an Impairment (loss)/gain on trade receivables amounting to INR 1558 lakhs with respect to expected credit losses in accordance with Ind AS -109 "Financial Instruments: recognition & measurement".

Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.

NOTE - 8: LOANS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Secured, considered good		
(i) Non Current		
Security Deposits	9	9
Inter-corporate Loans & Deposits*	10,301	11,775
Deposits with Government Authorities	-	-
Sub-Total	10,310	11,784
(ii) Current		
Security Deposit	-	-
Inter-corporate Loans & Deposits*	-	-
Sub-Total	-	-
Total	10,310	11,784

* Inter-corporate loans and deposits includes related parties and other corporates.

NOTE - 9: OTHER FINANCIAL ASSETS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Non-Current		
Other bank balances*	-	-
Sub-Total	-	-
Other financial assets		
(a) Application money paid towards subscription of securities	-	-
(b) Others	13	-
Sub-Total	13	-
Total	13	-
(ii) Current		
Other bank balances*	1	67
Sub-Total	1	67
Other financial assets		
(a) Derivative Financial Asset	-	-
(b) Others	12	7
Sub-Total	12	7
Total	13	74

* Details of other balances with banks

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Earmarked Balances with Banks*	1	1
Term Deposits with Bank	-	-
Margin money, guarantee and security with banks**	-	66
Total	1	67

* Earmarked balances with banks denotes balances held for unpaid dividends and are denominated & held in Indian Rupees (INR).

** The margin money, guarantee and security with banks includes deposits held as collateral Security.

Notes to the Consolidated Financial Statements

NOTE - 10: OTHER NON-CURRENT ASSETS

		(INR' Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
(i) Non-Current			
Capital Advance	-	1	
Security Deposit	-	-	
Balances with Government Authorities	7	7	
Prepaid Lease Rentals	(0)	119	
Other Loans & Advances	-	-	
Sub-Total	7	127	
(ii) Current			
Capital Advance	-	-	
Security Deposit	-	-	
Balances with Government Authorities	422	370	
Other Loans & Advances	679	2,361	
Sub-Total	1,101	2,731	
Total	1,108	2,858	

NOTE - 11: DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

		(INR' Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Property, Plant and Equipment	(893)	(1,011)	
Intangible Assets	(3)	(7)	
Employee Benefit Obligation	96	97	
MAT Credit Entitlement	72	72	
Impairment loss/(gain) on financial assets	534	217	
Total	(194)	(632)	

NOTE - 12: INVENTORIES

		(INR' Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
(a) Raw Materials	1,272	1,448	
(b) Work-in-Process	331	367	
(c) Finished Goods	510	531	
(d) Stores & Spares	446	459	
(e) Stock in Transit	-	-	
(f) Scraps	190	186	
Total	2,749	2,991	

Refer Note No. 2.6 for details of mode of valuation of inventories.

NOTE - 13: CASH AND CASH EQUIVALENTS

		(INR' Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Balances with banks			
(i) Cash at bank	185	240	
(ii) Cash on hand	17	42	
(iii) Cheques on hand	-	-	
Sub Total	202	282	
Less : Amount grouped under other bank balances	1	67	
Total	201	215	

NOTE - 14: CURRENT TAX ASSETS/ (LIABILITIES) (NET)

		(INR' Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Income tax payable	-	-	
Income tax receivable	23	20	
Total	23	20	

Notes to the Consolidated Financial Statements

NOTE - 15: SHARE CAPITAL

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Equity Share Capital		
a) Authorised		
75000000 (on 31st March, 2019: 75000000) Equity Shares of Rs.1/- each	750	750
	<hr/> 750	<hr/> 750
b) Issued, Subscribed and Paid Up		
Equity Shares:		
65534050 (on 31st March, 2019: 65534050) Equity Shares of Rs. 1 each fully paid up	655	655
Total	<hr/> 655	<hr/> 655

Above figures in bracket pertains to immediately preceding previous period figures.

c) Reconciliation of number of equity shares are set out below:

Particulars	As at 31st March 2020	As at 31st March 2019
i) Shares outstanding at the beginning of the financial year	6,55,34,050	6,55,34,050
ii) Issued during the year	-	-
iii) Shares forfeited/brought back/cancelled during the year	-	-
iv) Shares outstanding at the end of the financial year	<hr/> 6,55,34,050	<hr/> 6,55,34,050

d) Details of shareholders holding more than 5% of shares

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	% held	No.of Shares	% held	No.of Shares
Basant Kumar Agrawal	22%	14455940	22%	14455940
Navneet Manaksia	14%	9500000	14%	9500000
Aditya B Manaksia	14%	9500000	14%	9500000
ICICI Bank Limited	10%	6553405	10%	6553405

- (a) The parent company has a single class of equity shares having par value of Re. 1 each. Each holder of equity shares is entitled to one vote per share. The parent company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (b) In the event of liquidation of the parent company, the holders of equity shares will be entitled to receive any of the remaining assets of the parent company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (c) The Parent company is not a subsidiary company.
- (d) In terms of the scheme of arrangement under section 391 to 394 of the Companies Act, 1956 ('the Scheme') between Manaksia Limited, Manaksia Industries Limited ('the Parent Company') and other three transferee Companies, Manaksia Limited has demerged its business and undertakings namely, Aluminium Undertaking, Steel Undertaking, CMMC Undertaking and Packaging Undertaking to four separate transferee Companies. In terms of the Scheme 65,534,050 equity shares of Re. 1/- each fully paid-up, of the Parent Company have been issued payment being received in cash, in the ratio of 1 (one) fully paid-up equity share of Re. 1/- each of the Parent Company for every equity share held in Manaksia Limited.
- (e) The parent company has changed its name from Manaksia Industries Limited (the "Holding Parent company") to BKM Industries Limited with effect from 16th of October, 2017.
- (f) No Shares has been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.
- (g) For the period of five years immediately preceding the date at which the balance sheet is prepared, the parent company has not:
- Issued class of shares allotted as fully paid up pursuant to contract without payment being received in cash;
 - Issued class of shares allotted as fully paid up by way of bonus shares; and
 - Issued class of shares bought back.

Notes to the Consolidated Financial Statements

NOTE - 16: OTHER EQUITY

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
a. Capital Reserve		
Opening Balance	4,522	4,522
Less: Transferred to Retained Earnings		-
Sub Total	4,522	4,522
b. Securities Premium		
Opening Balance	4,171	4,171
Add: Additions during the year		-
Sub Total	4,171	4,171
c. General Reserves		
Opening Balance	6,301	6,301
Add: Addition during the year	-	-
Less: Dividend paid	-	-
Sub Total	6,301	6,301
d. Revaluation Surplus		
Opening Balance	1,460	1,460
Add: Net fair value gain/(loss) on revaluation of Property, Plant and Equipment during the period	-	-
Less: Income tax effect thereof	-	-
Sub Total	1,460	1,460
e. Retained Earnings		
Opening Balance	1,024	6,493
Add: Profit/(Loss) during the year	(2,922)	(5,502)
Add: Re-measurement of defined employee benefit plans through OCI Net of Tax	5	33
Add: Net fair value gain/(loss) on investments during the period	-	-
Less: Impairment loss on financial assets	-	-
Add: Restatement of Property, Plant & Equipment Depreciation on Capital Stores	-	-
Add: Grant on Re-measurement of interest Free Loan	-	-
Less: Unrecognized Interest on Interest Free Loan	-	-
Less: Other Adjustments		-
Sub Total	(1,893)	1,024
f. Share application money pending allotment		
Opening Balance	23	-
Add: Additions during the Period	-	23
Less: Transferred to paid-up share capital	-	-
Less: Transferred to securities premium	-	-
Sub Total	23	23
g. Exchange Fluctuation Reserves		
Opening Balance	(88)	(188)
Add: Additions during the Period	98	100
Less: Transferred to Retained Earnings	-	-
Sub Total	10	(88)
Total	14,594	17,413

Refer Note No. 53 for details of nature and purpose of each class of other equity.

Notes to the Consolidated Financial Statements

NOTE - 17: BORROWINGS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Non-Current Borrowings		
Secured Loan		
(a) Term Loan From Banks & Financial Institutions	-	1,753
(b) Term Loan From others	-	-
Unsecured Loan		
(a) Loans from Bank	-	-
(b) Loans from Others	1,582	4,669
(c) Deferred Sales Tax Liability	769	768
Total non-current borrowings	2,351	7,190
(ii) Current Borrowings		
Secured Loan		
From Banks		
(a) Term Loan From Banks & Financial Institutions	3,116	1,041
(b) Buyers Credit	7,487	7,551
Unsecured Loan		
From Others	1,668	1,530
Total current borrowings	12,271	10,122

- (a) The Current part of Long Term Borrowings, as above, have been shown under Other financial liabilities (Note No 19), as Current Maturities of long term debt.
- (b) The Group's Secured Corporate Loan facilities are secured by First Charge on Fixed Asset (Movable and Immovable) of the Group. The amount is further secured by second charge on the current assets of the Group, both present and future.
- (c) Group's Loan against property from NBFC is secured by Charge against properties of subsidiary companies - Jiwanjyoti Vanijya Pvt Ltd and Glitter Agencies Pvt Ltd. The amount is further secured by pledge of Group's investment in Equity shares of those companies. Rate of interest of this kind of loan is LFRF (LAP Floating reference rate notified time to time) -7.25% margin. These loans are repayable in Equated Monthly Instalments over a period of 10 years.
- (d) Vehicles loan are secured by charge against the vehicles obtained from those loans. Rate of interest on vehicles loans ranges between 8.5% To 10% p.a. These loans are repayable between 3 to 5 years from date of disbursement.
- (e) The Group's Working Capital facilities from banks are secured by First Charge on the current assets and First Charge on Fixed Assets of unit at Bankura ranking pari passu with the respective Working Capital Bankers. The amount is further secured on second charge basis on fixed assets of the Group (except at Bankura unit) ranking pari passu with the respective Working Capital Bankers.
- (f) The sales tax loan is repayable in annual instalments which range from a maximum of INR 167.47 lakhs to a minimum of INR 21.70 lakhs over the period from 1998-1999 to 2012-2013. The amount outstanding is free of interest.
- (g) During the financial year 2018-19 an amount of INR 3,27,67,025 brought in by promoters of the Group by way of invocation of pledged shares in pursuance of loan from ICICI Bank Limited.
- (h) Refer Note No. 54 for details of tenure of pending obligations as covenants of borrowings.
- (i) Due to irregularity in payment of Borrowings, as at 31st March, 2020 the Company's loan accounts in the Banks and Other Financial Institutions have got NPA due to overdue of Interest and Principal amounting to INR 10503 lakhs. Further these Bank and Other Financial Institutions have already initiated notice under section 13(2) of the SRFSAESI Act, 2002, against which the Group has responded accordingly.

NOTE - 18: TRADE PAYABLES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i. Non-Current		
(A) Total outstanding dues of micro enterprises and small enterprises#	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Sub-Total	-	-
ii. Current		
(A) Total outstanding dues of micro enterprises and small enterprises#	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises*	6,187	5,905
Sub-Total	6,187	5,905
Grand Total	6,187	5,905

* Outstanding dues of creditors includes payable towards statutory audit fees of INR 40 lakhs.

Refer Note No 47 for details of dues to MSME.

Notes to the Consolidated Financial Statements

NOTE - 19: OTHER FINANCIAL LIABILITIES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
i. Non-Current		
Security Deposits From Consignment Agencies	35	35
Security Deposits from Related Party & Others	0	-
Sub-Total	35	35
ii. Current		
Current Maturity of Long term debt	-	134
Interest Accrued but not Due	426	290
Others	397	253
Sub-Total	823	677
Total	858	712

NOTE - 20: PROVISIONS

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
(i) Provision for Employee Benefits	-	-
(ii) Provision for Gratuity	392	353
(iii) Other Provisions	3	-
Total	395	353
(i) Non Current	330	309
(ii) Current	65	44
Total	395	353

NOTE - 21: OTHER CURRENT LIABILITIES

Particulars	(INR' Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Current Liabilities:		
(i) Statutory Dues Payable	725	543
(ii) Customer Advances	-	-
(iii) Unpaid Dividend Account#	1	1
(iv) Others	-	10
Total	726	554

Refer Note No. 55 for details of Unpaid Dividend Account.

NOTE - 22: REVENUE FROM OPERATIONS

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Sale of Products	327	4,460
Sale of Services	47	50
Other Operating Revenue	1	-
Total	375	4,510
Sale of Products :		
Gross Sale of Products	398	4,909
Less: Discounts	-	(19)
Less : Goods & Services Tax	(71)	(430)
Net Sale of Products	327	4,460

Notes to the Consolidated Financial Statements

NOTE - 23: OTHER INCOME

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Interest Income :		
Interest Income From Financial Assets measured at Amortized Costs	24	94
Dividend Income :		
Dividend Income From Financial Assets Measured at Amortized Costs	-	-
Dividend Income From Financial Assets Measured at Fair Value through Other Comprehensive Income	-	-
Other Items :		
Rental Incomes	-	-
Export Incentives and Benefits	-	-
Unwinding of Interest on Security Deposits	169	22
Revenue Grants	-	-
Other	0	0
Total	193	116

NOTE - 24: OTHER GAINS/ (LOSSES)

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Net gain/(losses) on disposal of Property, Plant & Equipment	147	1
Net foreign exchange gain /(losses)	155	117
Other Items	-	-
Total	302	118

NOTE - 25a: COST OF MATERIAL CONSUMED

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Material and components consumed		
Opening Stock	1,448	1,823
Add: Material Purchased during the year	47	1,194
Less: Closing Stock	(1,272)	(1,448)
Total	223	1,569

Details of materials consumed

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Aluminium	143	712
Tin Free Steel Sheet	77	345
Others	3	512
Total	223	1,569

NOTE - 25b: PURCHASE OF STOCK-IN-TRADE

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Tea	-	735
Others	-	1,068
Sub-Total	-	1,803

NOTE - 26: CHANGES IN INVENTORIES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Opening Stock		
Finished Goods	531	672
Semi-Finished Goods	367	3,041
Scrap Material	186	210
Sub-Total	1,084	3,923
Less:- Closing Stock		
Finished Goods	510	531
Semi-Finished Goods	331	367
Scrap Material	190	186
Sub-Total	1,031	1,084
INCREASE(-)/DECREASE(+)	53	2,839

Notes to the Consolidated Financial Statements

NOTE - 27: OPERATING AND MANUFACTURING EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Consumption of Stores and Consumables	7	101
Power and Fuel	48	193
Processing Charges	17	10
Cleaning Charges	9	31
Carriage Inward	2	8
Other Manufacturing Expenses	0	34
Total	83	377

NOTE - 28: EMPLOYEE BENEFIT EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Salaries, Wages & Bonus	204	870
Contribution to Provident and other Funds	25	51
Workmen & Staff welfare Expenses	74	205
Total	303	1,126

NOTE - 29: FINANCE COST

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Interest on Borrowings:		
On Fixed Loans	206	324
On Others	336	1,141
Interest on finance lease obligations	-	-
Total	542	1,465

* Interest to others includes interest on other advances.

NOTE - 30: OTHER EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Repairs & Renewals:		
Plant & Machinery	2	13
Building	0	4
Others	0	13
Lease Rent *	46	126
Rental Charges other than lease	156	21
Auditors Remuneration (Note 31)	19	19
Insurance	0	14
Rates and related Taxes	5	7
Bank Commission and Banking Administration Charges	1	38
Packing Expenses	9	54
Freight Forwarding & Handling Expenses	23	99
Communication Expenses	2	10
Impairment (loss)/gain on financial assets#	1,797	-
Travelling Conveyance	25	91
Miscellaneous Expenses	538	303
Prior period Errors	8	87
Donation	0	0
Corporate Social Responsibility Expenses (Note 32)	-	-
	2,631	899

Impairment (loss)/gain on financial assets includes an amount of INR 1558 lakhs with respect to expected credit loss provided on Trade Receivables (Refer No. 7 & 4(iv)). As at the reporting date the management has reviewed the recoverability of trade receivables. Based on which the Group has provided for expected credit loss to the extent of non-recoverability of trade receivables in accordance with Ind AS -109 "Financial Instruments: recognition & measurement" during the year ended 31st March, 2020.

* During the financial year ended 31st March 2020 the Group has provided for lease rental expenses relating to Short-term lease and low-value assets of an amounting to INR 48 lakhs in accordance with Ind AS 116 "Leases".

Notes to the Consolidated Financial Statements

NOTE - 31: DETAILS OF PAYMENT TO AUDITORS

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
As Auditors		
Audit Fees	19	19
Tax Audit Fee	-	-
In other Capacity		
Taxation matters	-	-
Company Law matters	-	-
Certification fees	-	-
Re-imbursement of Expenses	-	-
	19	19

NOTE - 32: CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Contribution to Charity Foundation	-	-
Outlay on Others CSR Projects	-	-
Total	-	-
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year on :		
(1) Construction or Acquisition of Assets	-	-
(2) On purposes other than (1) above	-	-
Total	-	-
Excess/(Short) Amount Spend	-	-

NOTE - 33 : INCOME TAX EXPENSES

This note provides an analysis of the group's income tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax position.

(a)

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Income Tax Expenses		
(i) Current Tax :		
Current Tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax Expenses	-	-
(ii) Deferred Tax :		
Decrease/(Increase) in deferred tax on assets	(439)	(297)
(Decrease)/Increase in deferred tax on liabilities	(1)	51
Adjustments for deferred tax of prior periods	-	-
Total Deferred tax expenses/(benefits)	(440)	(246)
Total Income Tax Expenses (i+ii)	(440)	(246)
Income Tax Expenses is attributable to :		
Current Tax	-	-
Deferred Tax	(440)	(246)
Total Tax Expenses Charged to SPL	(440)	(246)
Total Tax Expenses Charged against OCI	2	15
Total Tax Expenses	(438)	(231)

Notes to the Consolidated Financial Statements

(b) Income Tax Expense:

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Profit from continuing operations before income tax expenses	(3,339)	(5,748)
Profit from discontinuing operations before income tax expenses	(23)	-
Total Profit from operations	(3,362)	(5,748)
Tax at the Indian tax rate of Nil% (2018-19: Nil%)	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
(a) Depreciation and Amortization expenses	-	-
(b) Donations and Expenses on non taxable Incomes	-	-
(c) Provision for Gratuity U/S 40(A)(7)	-	-
(d) Filing Fees for capital Increase	-	-
(e) Ind AS Impact:		
Impairment (loss)/gain on financial assets	-	-
Rental Charges other Than lease	-	-
Re-measurement of defined employee benefit plans	-	-
Restatement of Property, Plant & Equipment Depreciation on Capital Stores	-	-
Interest on Deferred Sales Tax Liability at amortised cost	-	-
(f) Expenses pertaining to previous year	-	-
(g) Profit on sale of fixed assets	-	-
(h) Amount Received by the Assesses from employees towards PF contributions	-	-
(i) Dividend received from subsidiaries taxable at specified rate	-	-
(j) Mat Credit/Debit	-	-
(k) Penalty	-	-
(l) Allowable U/S-43B & 35DDA	-	-
(m) Other Items adjusted	-	-
(n) Previously unrecognised tax losses recouped to reduce current tax expenses	-	-
Current Income Tax Expenses	-	-

(c) Amount recognised directly in equity

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity:		
Current tax: Share issue transaction cost	-	-
Deferred tax: Convertible bonds	-	-
Total amount recognised directly in equity	-	-

(d) Tax losses

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Unused tax losses for which no deferred tax has been recognised	-	-
Potential tax benefits	-	-

(e) Unrecognised temporary differences

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	-	-
Unrecognised deferred tax liabilities relating to the above temporary differences	-	-

NOTE - 34: MOVEMENT IN DEFERRED TAX ASSETS-INCOME/ (LIABILITY-EXPENSE)

Particulars	(INR' Lakhs)			
	31st March 2020		31st March 2019	
	Through PL	Through OCI	Through PL	Through OCI
Property, Plant and Equipment	118	-	303	-
Intangible Assets	4	-	(7)	-
Employee Benefit Obligation	1	(2)	(50)	(15)
MAT Credit Entitlement	0	-	-	-
Impairment loss/(gain) on financial assets	317	-	-	-
Impact of Deferred Tax Incomes/(Expenses)	440	(2)	246	(15)

Notes to the Consolidated Financial Statements

NOTE - 35: DISCLOSURE UNDER IND AS 19 "EMPLOYEE BENEFITS"

Defined Benefit Plan:

The employees' gratuity fund scheme (unfunded) is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

(i) Post Employment Obligations

a) Gratuity

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, 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.

(ii) Defined contribution plans

The group also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary and dearness allowances as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The group also contribute to Employee State Insurance (ESI) at the rate of 3.25% of basic salary as per the regulations. The ESI funds is maintained by appropriate authority of State Government.

The amounts recognised in the balance sheet and movements in the net defined benefits obligation over the year are as follows:

	Particulars	31st March 2020	31st March 2019
(INR' Lakhs)			
1) Change in Defined Benefit Obligation :			
	Defined Benefit Obligation at the beginning of the year	353	358
	Interest Cost	26	27
	Current Service Cost	21	21
	Benefits Paid	(1)	(6)
	Actuarial Gain / (Loss) on Obligation	(7)	(48)
	Present Value of obligation as at the end of the year	392	353
2) Change in Fair Value of the Asset			
	Fair Value of the plan assets at the beginning of the year	-	-
	Investment Income	-	-
	Contributions	-	-
	Benefits paid	-	-
	Return on plan assets, excluding amount recognised in Net Interest Expenses	-	-
	Fair Value of Plan assets at the end of the year	-	-
3) Net Asset/(Liability) recognised in the Balance Sheet			
	Fair Value of the Plan Assets	-	-
	Present Value of the obligation as at the end of the year	392	353
	Amount recognized in Balance Sheet	(392)	(353)
4) Expenses recognised in the Income Statement			
	(under the head contribution to provident fund and other funds)		
	Current Service Cost	21	21
	Net Interest Income/(cost) on the Net Defined Benefit liability	26	27
	Expenses recognised in the statement of Profit and Loss	47	48
5) Other Comprehensive Income			
	Expected Return from Plan Asset	-	-
	Net Actuarial Gain/(Loss) recognized in the year	(7)	(48)
	Components of defined benefit costs recognised in Other Comprehensive income	(7)	(48)

The key assumptions used in the calculations are as follows :-

	Particulars	31st March 2020	31st March 2019
	Discount Rate	6.50% p.a.	7.30% p.a.
	Rate of increase in salaries	5.00% p.a.	5.00% p.a.
	Mortality	100% of IALM 06-08	100% of IALM 06-08
	Attrition Rate	2.00% p.a.	2.00% p.a.

Notes to the Consolidated Financial Statements

The key assumptions used in the calculations are as follows :-

Particulars	31st March 2020		31st March 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	422	366	380	328
% change compared to base due to sensitivity	7.56%	-6.67%	7.85%	-6.93%
Salary Growth (-/+1%)	364	423	327	381
% change compared to base due to sensitivity	-7.01%	7.82%	-7.33%	8.18%
Attrition Rate (-/+50%)	389	394	348	356
% change compared to base due to sensitivity	-0.72%	0.65%	-1.19%	1.08%
Mortality Rate (-/+10%)	391	392	352	353
% change compared to base due to sensitivity	-0.13%	0.13%	-0.24%	0.23%

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the group is exposed to various risks in providing the above gratuity benefit which are as follows:

a. Interest Rate risk :

The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

b. Liquidity Risk :

This is the risk that the group is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

c. Salary Escalation Risk :

The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

d. Demographic Risk :

The group has used certain mortality and attrition assumptions in valuation of the liability. The group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

e. Regulatory Risk :

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

NOTE - 36: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category:

(INR' Lakhs)

Particulars	31st March 2020			31st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments:						
Equity instruments	-	-	-	-	-	-
Trade receivables	-	-	3,138	-	-	3,902
Cash and cash equivalents	-	-	202	-	-	282
Loans	-	-	10,310	-	-	11,784
Derivative financial assets	-	-	-	-	-	-
Others	-	-	25	-	-	7
Total financial assets	-	-	13,675	-	-	15,975
Financial liabilities						
Borrowings	-	-	14,622	-	-	17,311
Derivative financial liabilities	-	-	-	-	-	-
Trade payables	-	-	6,187	-	-	5,905
Other financial liabilities	-	-	859	-	-	713
Total financial liabilities	-	-	21,668	-	-	23,929

Notes to the Consolidated Financial Statements

(ii) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are,

- recognised and measured at fair value, and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

(INR' Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

(INR' Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets :				
Financial investments at FVPL				
Equity instruments	-	-	-	-
Mutual funds	-	-	-	-
Financial investments at FVOCI				
Quoted equity investments	-	-	-	-
Unquoted equity investments	-	-	-	-
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Foreign currency options	-	-	-	-
Interest rate swaps	-	-	-	-
Total	-	-	-	-

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanged is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: 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 maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

(ii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:

- Trade receivables
- Cash and cash equivalents
- Loans
- Borrowings
- Trade payables
- Capital Creditors
- Other payables

Notes to the Consolidated Financial Statements

NOTE - 37: FINANCIAL RISK MANAGEMENT

The Group's some portion of activities are expose to variety of financial risks i.e. credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's financial instruments (excluding receivables from related parties) are influenced mainly by the individual characteristics of each customer. The Group's exposure to credit risk is concentration of risk from the top few customers and the demographics of the customers.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit rating.	Diversification of bank deposits, credit limits and letters of credit.
Liquidity risk	Borrowing and other liabilities.	Rolling cash flow forecasts.	Availability of committed credit lines and borrowing facilities.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess impairment loss or gain. the Group uses a matrix to compute the expected credit loss allowance for trade receivable.

(i) Credit risk management

Credit risk is managed on each instrument basis. For Banks and financial institutions, only high rated banks /institutions are accepted. For other financial instruments, the Group assess and maintain an internal credit rating system. The finance function consists of a separate team who assess and maintain internal credit rating system. Internal credit rating is performed on a Group level basis for each class of financial instrument with different characteristics.

(ii) Provision for expected credit losses

Expected credit loss for trade receivables under simplified approach

Particulars	31st March 2020	31st March 2019
Gross Carrying amount	5,320	4,526
Expected loss rate	41%	14%
Expected credit losses (Loss allowance provision)	(2,182)	(624)
Carrying amount of trade receivables (net of impairment)	3,138	3,902

Significant estimates and judgements

Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Group. These limits vary by locations to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Sensitivity- Interest rate risk exposure

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

Particulars	Impact on profit after tax (*)	
	31st March 2020	31st March 2019
Interest rates- increase by 50 basis points (50bps)	-0.34%	-0.24%
Interest rates- decrease by 50 basis points (50bps)	0.34%	0.24%

* Holding all other variables constant.

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long term borrowings with variable rates, which expose the group to cash flow interest rate risk. Group policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During 31 march 2020 and 31 march 2019, the Group's borrowings at variable rate were mainly denominated in INR.

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

Notes to the Consolidated Financial Statements

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

Profit for the period would increase/ decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

NOTE - 38: CAPITAL MANAGEMENT

(a) Risk management

The company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The Group monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

Particulars	31st March 2020	31st March 2019
Net Debt	14,847	17,520
Total Equity	15,250	18,068
Net debt to Equity Ratio	0.97	0.97

(a) Dividends

Particulars	31st March 2020	31st March 2019
(i) Equity shares:		
Final dividend for the year ended 31.03.2020 of INR Nil (31.03.2019 of INR Nil) per fully paid share.	-	-
Interim dividend for the year ended 31.03.2020 of INR Nil (31.03.2019 of INR Nil) per fully paid share.	-	-
(ii) Dividends not recognised at the end of the reporting period:	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR Nil per fully paid equity share (31.03.2019 of INR Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

NOTE - 39: EARNINGS PER SHARE (EPS)

Particulars	31st March 2020	31st March 2019
(i) Net Profit/ (Loss) after tax from continuing operation as per statement of Profit & Loss attributable to Equity Shareholders of the Company	(2,899)	(5,502)
(ii) Net Profit/ (Loss) after tax from discontinued operation as per statement of Profit & Loss attributable to Equity Shareholders of the Company	(23)	-
(iii) Net Profit/ (Loss) after tax from continuing & discontinued operations as per statement of Profit & Loss attributable to Equity Shareholders of the Company	(2,922)	(5,502)
(iv) Weighted Average number of equity shares used as denominator for calculating EPS (Nos.)	6,55,34,050	6,55,34,050
(v) Face Value per Equity Share (in INR)	1.00	1.00
(vi) Basic and Diluted Earnings per share (in INR) from continuing operation	(4.42)	(8.40)
(vii) Basic and Diluted Earnings per share (in INR) from discontinued operation	(0.04)	-
(viii) Basic and Diluted Earnings per share (in INR) from continuing & discontinued operations	(4.46)	(8.40)

NOTE - 40: FOREIGN EXCHANGE

Earnings in foreign exchange	31st March 2020	31st March 2019
(i) FOB Value of Exports (including freight realised)	11	142
(ii) Interest income from subsidiary company	-	-
(iii) Dividend income	-	-
Total	11	142

Expenditure in foreign currency	31st March 2020	31st March 2019
(i) Interest and finance charges	-	-
(ii) Other Expenses	2	41
Total	2	41

CIF value of imports	31st March 2020	31st March 2019
i) Capital Goods	-	-
ii) Raw materials and other purchases	114	524
Total	114	524

Notes to the Consolidated Financial Statements

NOTE - 41: CONTINGENT LIABILITY

		(INR' Lakhs)	
Particulars		31st March 2020	31st March 2019
i)	Guarantees given by Group's Bankers on behalf of the Group:		
	a) Guarantees issued in favour of electricity department and other agencies.	34	34
ii)	Claims against the Group not acknowledged as debts:		
	a) Service Tax	34	34
	b) Excise Duty demand under appeal	1,047	1,047
	c) Entry Tax	71	71
	d) Others	2	2
iii)	Corporate Guarantees given by Group.	-	-
Total		1,188	1,188

- a. a. However as per management perception, the above liabilities will not devolve upon the Group in future.
- b. b. The nine-member bench of Hon'ble Supreme Court vide Order dated 11-11-2016 passed in the case of Jindal Stainless Limited & Others v. State of Haryana & Others [Civil Appeal No. 3453 OF 2002] held the 'concept of Discriminatory Taxes' as the parameter for determining as to whether the levy of Entry Tax is violate of Article 301 of Constitution of India. In terms with the opinion taken by us from Legal Counsel, the levy of Entry Tax in the State of West Bengal is DICRIMINATORY in nature and therefore the levy may not uphold in the court of law. Hence, the provision made by the Group for Entry Tax has been reversed and liability of Entry Tax has been shown in the contingent liability.

NOTE - 42: CAPITAL COMMITMENTS

		(INR' Lakhs)	
Particulars		31st March 2020	31st March 2019
i)	Estimated value of contracts in capital account remaining to be executed.	-	-

NOTE - 43: RELATED PARTY DISCLOSURE AS PER IND AS 24

(I) List of Related parties:

(a) Associates and Joint Arrangements:

The company do not have any associates and joint arrangements.

(b) Key Managerial Personnel:

Name	Designation
Mr. Basant Kumar Agrawal	Chairman cum Managing Director
Mr. Navneet Manaksia	Whole Time Director cum Chief Financial Officer (CFO) (Appointed as CFO w.e.f 28.07.2020)
Mr. Aditya B Manaksia	Whole Time Director
Mr. Bijay Kumar Sahoo	Chief Financial Officer (CFO) (Resigned from CFO on 21.07.2020)
Ms. Raveena Dugar	Company Secretary (CS) (Resigned from CS w.e.f 01.07.2020)

(c) Close Family members of Key Managerial Personnel:

Name	Relationships
Saroj Devi Agrawal	Wife of Basant Kumar Agrawal

(d) Entities where Key Managerial Personnel has significant influence:

Name	Relationships
Arena Machineries Limited	Entity where KMP has significant influence
Kohinoor Commodeal Private Limited	Entity where KMP has significant influence

Notes to the Consolidated Financial Statements

(II) Balances and Transactions with Related Parties:

(INR' Lakhs)

Name of the Parties	Nature of Transactions	Net Transaction During the Period	
		31st March 2020	31st March 2019
Mr. Basant Kumar Agrawal		84	84
Mr. Navneet Manaksia		54	54
Mr. Aditya B. Manaksia	Remuneration Paid	54	54
Mr. Bijay Kumar Sahoo		13	4
Arena Machineries Limited	Purchase of Goods or Services	2	10
Arena Machineries Limited	Sale of Goods or Services	-	16
Kohinoor Commodeal Private Limited	Rent Paid	23	90
Kohinoor Commodeal Private Limited	Security Deposits Paid Adjusted	295	-

(INR' Lakhs)

Name	Nature of Balance	Balances outstanding as on	
		31st March 2020	31st March 2019
(a) Inter-corporate Loans and Deposits:			
(iii) Kohinoor Commodeal Private Limited	Rent Security Deposits	-	295
(b) Trade Receivables:			
(i) Arena Machineries Limited	Trade Receivable	-	-

a. Transactions have taken place on arm's length basis.

b. No amount in respect of debts pertaining to the related parties have been written off or written back during the year.

c. No provision for doubtful debts is required to be made for the year in respect of debt due from related parties.

NOTE - 44: FINANCIAL HEDGING INSTRUMENTS

(INR' Lakhs)

Particulars	31st March 2020	31st March 2019
i) Foreign currency payables covered by natural hedge from receivable of Exports & Loans.	-	-
ii) Foreign currency exposure Receivable which are not hedged.	-	-
iii) For hedging Currency Related Risks :		
Forward Contracts - Outstanding Nominal Value*	-	-

* No hedging instruments was outstanding at the end of both current as well as previous financial year.

NOTE - 45: ASSETS PROVIDED AS SECURITY

(INR' Lakhs)

Particulars	31st March 2020	31st March 2019
Current Assets:		
Financial Assets		
Trade Receivables	3,138	3,902
Other Financial Assets	-	-
Non Financial Assets		
Inventories	2,749	2,991
Total Current assets provided as security	5,887	6,893
Non Current assets:		
Property, Plant and Equipment	14,694	15,362
Intangible Assets	19	30
Investments	-	-
Total Non - Current assets provided as security	14,713	15,392
Total Assets provided as Security	20,600	22,285

Notes to the Consolidated Financial Statements

NOTE - 46: RECOGNITION OF CORPORATE GUARANTEE AS FINANCIAL LIABILITY

Financial guarantee are contractual right of the lender to receive cash from the guarantor, and a corresponding contractual obligation of the guarantor to pay the lender, if the borrower defaults. The contractual right and obligation exist because of a past transaction or event (assumption of the guarantee), even though the lender's ability to exercise its right and the requirement for the guarantor to perform under its obligation are both contingent on a future act of default by the borrower. A contingent right and obligation meet the definition of a financial asset and a financial liability, even though such assets and liabilities are not always recognised in the financial statements. Based on the measurement principles laid down under Ind AS 109 "Financial Instrument: Recognition and Measurement", the fair value of all those financial guarantee contracts reasonable below to the materiality threshold limit set by the Group. Accordingly the entity has made appropriate disclosure in Note 41 without additionally recognising any financial assets or liability.

NOTE - 47: MICRO, SMALL AND MEDIUM (MSME) DUES DISCLOSURE

Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the information received from them on requests made by the Group.

There are no Micro, Small and Medium Enterprises (MSME) to whom the Group owes dues which are outstanding for a period of more than 45 days as at the balance sheet date. The above information and that given under current liabilities regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

NOTE - 48: ESTIMATED USEFUL LIVES OF PROPERTY, PLANT & EQUIPMENT (PPE)

Financial Classification	Nature	Useful Lives	
		As per Management Estimate	As per Schedule-II of Companies Act 2013
Freehold Building	Building and Factory Sheds	10 to 20	30
	Staff Quarters	60	60
	Tube well/Bore well/Boundary Wall	30	5
	Road	10	10
Furniture & Fixtures	Electrical Installation	10 to 15	10
	Furniture & Fixtures	10	10
Office Equipment	Computer Devices	3 to 10	3
	Computer Network	6	6
	Office Equipment	5 to 15	5
Plant & Machinery	Air Condition	5 to 15	15
	Plant & Machinery	1 to 15	15
Vehicles	Cycle	10	1
	Vehicle other than on Hire	8	8
	Vehicle on Hire	6	6

The useful life has remained constant for comparative and reporting period.

NOTE - 49 : ENTERPRISES CONSOLIDATED AS SUBSIDIARY IN ACCORDANCE WITH IND AS 110 "CONSOLIDATED FINANCIAL STATEMENTS"

SR. No.	Name of the Enterprises	Country of Incorporation	Percentage of ownership interest as on 31st March, 2020	Percentage of ownership interest as on 31st March, 2019
1	Euroasian Ventures FZE	UAE	100%	100%
2	Euroasian Steels LLC	Georgia	88%	88%
3	Glitter Agencies Private Limited	India	100%	100%
4	Jiwanjyoti Vanijya Private Limited	India	100%	100%
5	B K Manaksia Nigeria Limited	Nigeria	100%	100%
6	BKM Agrotech Private Limited	India	100%	100%

Euroasian Steels LLC is a step-down subsidiary of Euroasian Ventures FZE which holds 87.50%.

Notes to the Consolidated Financial Statements

NOTE - 50: SEGMENT INFORMATION REPORTING UNDER IND AS 108 "OPERATING SEGMENTS"

a) Primary Segment Information

(InR' Lakhs)

Particulars	Manufacturing		Trading		Unallocable		Total	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Segment Revenue:								
External Turnover	331	2,689	44	1,821	-	-	375	4,510
<i>Add:</i> Inter Segment Turnover	-	-	-	-	-	-	-	-
Gross Turnover	331	2,689	44	1,821	-	-	375	4,510
<i>Less:</i> Excise duty/Service Tax recovered	-	-	-	-	-	-	-	-
<i>Less:</i> Inter Segment Turnover	-	-	-	-	-	-	-	-
Segment Total Revenue	331	2,689	44	1,821	-	-	375	4,510
Segments Results:							-	-
Segments Results (PBIT)	(985)	(3,302)	(98)	(91)	-	-	(1,083)	(3,393)
<i>Less:</i> Unallocated corporate expenses net of unallocated income	-	-	-	-	(1,714)	(890)	(1,714)	(890)
Operating Profit	(985)	(3,302)	(98)	(91)	(1,714)	(890)	(2,797)	(4,283)
(a) Interest Expenses	-	-	-	-	(542)	(1,465)	(542)	(1,465)
Profit before Tax	(985)	(3,302)	(98)	(91)	(2,256)	(2,355)	(3,339)	(5,748)
(a) Current Tax	-	-	-	-	-	-	-	-
(b) Deferred Tax	-	-	-	-	(440)	(246)	(440)	(246)
Profit after Tax	(985)	(3,302)	(98)	(91)	(1,816)	(2,109)	(2,899)	(5,502)
Segment Assets and Liabilities:								
Segment Assets	18,924	17,572	17,715	16,668	1,755	9,459	38,394	43,699
Segment Liabilities	9,907	10,216	11,174	9,352	1,901	5,900	22,982	25,468

b) Secondary Segment Information

Particulars	31st March 2020	31st March 2019
1. Segment Revenue - External Turnover		
Within India	375	3,781
Outside India	-	729
Total Segment Revenue	375	4,510
2. Segment Assets		
Within India	13,256	18,919
Outside India	25,138	24,780
Total Segment Assets	38,394	43,699

Notes to the Consolidated Financial Statements

Note:

- 1) **Primary Segment:** Business segment has been identified as primary segment on the basis of the products of the group. Accordingly, the group has identified Packaging Product, Mosquito Coil, Metal Products, Engineering & Others as the business segment.
- (a) Packaging consists of manufacture and sale of PP Cap, Crown Closures, Metal Containers, EP Liners, Washer, EP Sheets etc.
- (b) Mosquito Coils consists of manufacture and sale of Mosquito Repellent coils.
- (c) Metal Product consists of manufacture and sale of Aluminium and Steel galvanized sheets, coils etc.
- (d) Engineering & others consists of Manufacturing and Sales of Machine, Spare Parts etc.
- 2) **Secondary Segment:** Geographical segment has been identified as secondary segment. Geographical segments considered for disclosure are:
- Within India
 - Outside India

NOTE - 51: REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

- (i) (i) During the period ended 31st March, 2020 the Group has conducted a formal review of change in the fair value of lands and no major changes in the fair value have been found. The Group was considered the following fair values for revaluation of its lands which was carried out and also recognised during the period ended 31st March 2018:
- (INR' Lakhs)

Particulars	Revaluation of Land (Unit-wise)				
	Hyderabad	Belur	Silvassa	Liluah	Bankura
Date of Revaluation Report	11th March 2017	24th October 2017	31st March 2017	27th July 2017	28th June 2017
Effective date of the revaluation	31st March 2018	31st March 2018	31st March 2018	31st March 2018	31st March 2018
Revaluation by	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.	NANDI and Associates	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.	NANDI and Associates	M/s R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd.
Carrying amount before revaluation	2	2	5	9	9
Revaluation Amount	849	234	273	866	11
Carrying amount after revaluation	851	236	278	875	20
Depreciation	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.	Land was not considered as a depreciable asset.
Fair value Hierarchy	II	II	II	II	II
Valuation techniques	Comparable Market Sales Approach	Land Development Method	Land Development Method	Land Development Method	Comparable Market Sales Approach

NOTE - 52: DISCLOSURE IN TERMS OF IND-AS 115: REVENUE FROM CONTRACT WITH CUSTOMERS

(INR' Lakhs)

Particulars	31st March 2020	31st March 2019
Details of revenue from contracts with customers recognised by the Group, net of indirect taxes in its statement of Profit and Loss.		
Revenue from operations:		
◆ Sale of Products	327	4,460
◆ Sale of Services	47	50
◆ Other operating revenue	1	-
	375	4,510
The management has provided for impairment losses/(gain) on contract asset / trade receivable in the reporting period.		
◆ ECL for debtors related to on-going contracts	1,558	-
◆ ECL for debtors related to terminated contracts	-	-
	1,558	-

Notes to the Consolidated Financial Statements

Disaggregate Revenue

The table below presents disaggregated revenues from contracts with customers by geography/ offerings/ contract-type /contract duration /market or customer type / timing of recognition. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Revenue based on geography:

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
♦ India	375	4,368
♦ Outside India	-	142
	375	4,510

The disclosure requirement IND AS 108 are given in Note No. 50 "Segment Reporting" as per Ind AS 108.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	(INR' Lakhs)	
	31st March 2020	31st March 2019
Trade receivables - current	3,138	3,902
Trade receivables - non-current	-	-
Contract assets - current	Nil	Nil
Contract assets - non-current	Nil	Nil
Contract liabilities - current	Nil	Nil
Contract liabilities - non-current	Nil	Nil

The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance objectives not yet invoiced and deferred contract acquisition costs, which are amortized along with the associated revenue.

Significant changes in the contract asset and the contract liability balances are as follows:

Particulars	Contract assets	Contract liabilities
Revenue recognised that was included in the contract liability balance at the beginning of the period	Nil	Nil
Increases due to cash received, excluding amounts recognised as revenue during the period	Nil	Nil
Transfers from contract assets recognised at the beginning of the period to receivables	Nil	Nil
Increases as a result of changes in the measure of progress	Nil	Nil

Significant judgements and estimates - timing of satisfaction of performance obligation, transaction price and its allocation

The performance obligation is satisfied usually on delivery of goods or services provided. There are no significant judgement and estimates on transaction price and its allocation. The obligations for returns, refunds and similar obligations are minimal. There are no warranties or related obligations in terms of the existing contract.

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Contract assets	Contract liabilities
Revenue from contracts with customers (as per Statement of Profit and Loss)	375	4,510
Add: Discounts, rebates, refunds, credits, price concessions	71	449
Less: Incentives, performance bonuses	-	-
Contracted price with the customers	446	4,959

Practical expedients used

In accordance with the practical expedient in Para 63 of Ind AS 115, the Group has not adjusted the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Notes to the Consolidated Financial Statements

NOTE - 53: NATURE AND PURPOSE OF RESERVES DISCLOSED UNDER OTHER EQUITY

(INR' Lakhs)

Particulars	Purpose
(a) Capital Reserve	Capital Reserve was created in the financial year 2014-15 as a result of cancellation of shares.
(b) General Reserve	General Reserve has been created to comply with requirements of erstwhile Company's Act 2013 and dividend was declared out of this reserve (for the financial year 2016-17) during financial year 2017-18.
(c) Retained Earnings	Retained Earnings contains the balance of accumulated earnings to be carried forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet date.
(d) Securities Premium	Securities Premium has been created in consequence of issue of ordinary equity shares.
(e) Revaluation Reserves	Revaluation reserves has been created through Other Comprehensive Income (OCI) during financial year 2017-18 as a results of first-time revaluation of Land.

NOTE - 54: COVENANTS OF BORROWINGS

Details of Repayment Schedule, Interest Rate of Borrowings as on 31 March 2020:

Particulars of Loans	Repayment Tenure	Rate of Interest
(a) HDFC Vehicle Loan-45301374	31 EMI	8.51%
(b) HDFC Vehicle Loan-44604703	3 EMI	9.50%
(c) HDFC Vehicle Loan-44604996	2 EMI	9.50%
(d) HDFC Vehicle Loan-47472636	7 EMI	9.25%
(e) HDFC Vehicle Loan-47474049	6 EMI	9.25%
(f) HDFC Vehicle Loan-47472193	5 EMI	9.25%
(g) Indiabulls Term Loan-HHLKLM00311157	94 EMI	11.50%
(h) Indiabulls Term Loan-HHLKLM00310690	94 EMI	11.50%
(i) Indiabulls Term Loan-HHEKLM00313016	95 EMI	11.50%
(j) Indiabulls Term Loan-HHEKLM00313395	96 EMI	11.50%
(k) ICICI Bank Term-Loan	16 Quarterly	10.75%

Details of Repayment Schedule, Interest Rate of Borrowings as on 31 March 2019:

Particulars of Loans	Repayment Tenure	Rate of Interest
(a) HDFC Vehicle Loan-45301374	35 EMI	8.51%
(b) HDFC Vehicle Loan-44604703	11 EMI	9.50%
(c) HDFC Vehicle Loan-44604996	10 EMI	9.50%
(d) HDFC Vehicle Loan-47472636	14 EMI	9.25%
(e) HDFC Vehicle Loan-47474049	14 EMI	9.25%
(f) HDFC Vehicle Loan-47472193	14 EMI	9.25%
(g) Indiabulls Term Loan-HHLKLM00311157	94 EMI	11.50%
(h) Indiabulls Term Loan-HHLKLM00310690	94 EMI	11.50%
(i) Indiabulls Term Loan-HHEKLM00313016	95 EMI	11.50%
(j) Indiabulls Term Loan-HHEKLM00313395	96 EMI	11.50%
(k) ICICI Bank Term-Loan	16 Quarterly	10.75%

NOTE - 55

Pursuant to the provisions of the Companies Act, 2013 read with Investors Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividends unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of share holders for the financial year 2016-17 (declared on September 18, 2017 of INR 0.20 per share) lying in the Unpaid Dividend Account of the Company and as on September 18, 2024 will be transferred to IEPF on the due date i.e. September 19, 2024.

NOTE - 56

Out of 8 manufacturing facilities ('facilities'), the Group has already discontinued its operations at 3 facilities till 31st March 2020 and communicated to the stock exchange on its intent to suspend the operation at 3 facilities from now onwards. However, the management is exploring options to revive the operations and cash flows in near future so as to maintain the going concern status of the entity. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

NOTE - 57

The Group has sold lease hold land and discontinued its manufacturing operations of one of its plant located at Bhopal district in the state of Madhya Pradesh. Accordingly, net profit/ (loss) of such manufacturing operations of an amounting to INR (23) lakhs disclosed separately in the Consolidated Statement of Profit and Loss of the Group for the year ended March 31, 2020 as a single item in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Furthermore, the Property, Plant and Equipment of an amounting to INR 67 lakhs with respect to this plant classified in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and disclosed under "Non-current assets held for disposal" in the Consolidated Balance Sheet as at 31st March 2020.

Notes to the Consolidated Financial Statements
NOTE - 5B: ADDITIONAL INFORMATION, AS REQUIRED UNDER DIVISION-I OF SCHEDULE-III TO THE COMPANIES ACT, 2013

(INR' Lakhs)

Name of the Enterprise	Net Assets (i.e. total assets minus total liabilities)			Share in Profit or (Loss)			Share in Other Comprehensive Income (OCI)			Share in Total Comprehensive Income (TCI)			
	As % of Consolidated Net Assets		Amount (INR in Lakhs)	As % of Consolidated Profit or (Loss)		Amount (INR in Lakhs)	As % of Consolidated OCI		Amount (INR in Lakhs)	As % of Consolidated TCI		Amount (INR in Lakhs)	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2019	
Parent:													
BKM Industries Limited	26%	38%	4,033	98%	103%	(2,860)	100%	100%	5	98%	103%	(2,855)	(5,609)
Sub-total (A)			4,033			(2,860)			5		(2,855)	(5,609)	
Subsidiary:													
(a) Indian:													
1. Glitter Agencies Private Limited	3%	2%	415	-1%	0%	20	0%	0%	-	-1%	0%	20	(20)
2. Jivaniyoti Vanijiya Private Limited	3%	2%	402	-1%	0%	25	0%	0%	-	-1%	0%	25	(26)
3. BKM Agrotech Private Limited	0%	0%	0	0%	0%	1	0%	0%	-	0%	0%	1	(0)
Sub-total (B)			817			46			-		46	(46)	
(b) Foreign:													
1. Euroasian Ventures FZE	102%	75%	15,722	-1%	1%	35	0%	0%	-	-1%	1%	35	(68)
2. Euroasian Steels LLC	8%	7%	1,208	0%	0%	0	0%	0%	-	0%	0%	0	(1)
3. BK Manaksia Nigeria Limited	0%	0%	56	0%	0%	7	0%	0%	-	0%	0%	7	(15)
Sub-total (C)			16,986			42			-		42	(84)	
Grand total (A+B+C)			21,836			(2,772)			5		(2,767)	(5,739)	
Inter-group elimination and consolidation adjustments including exchange fluctuations (D)	-42%	-24%	(6,424)	5%	-5%	(150)	0%	0%	-	5%	-5%	(150)	270
Amount considered in consolidated financial statements ((E) = (A+B+C+D))		15,412	18,231	(2,922)	(5,502)	5	33		(2,917)		(5,469)		
Minority Interest in all subsidiaries included in (E) above		163	163	-	-	-	-	-	-	-	-	-	-



Notes to the Consolidated Financial Statements

NOTE - 59

Figures for the previous year have been re-arranged and re-grouped wherever necessary.

As per our report of even date attached.

For SRB & Associates
Chartered Accountants
F. Regd. No. 310009E

Sd/-
Biswaranjan Sutar
Partner
M. No. 066708

Date : 28th July 2020
Place: Kolkata

For and on behalf of the Board of Directors

Sd/-
B K Agrawal
Chairman cum Managing Director
DIN: 520558

Sd/-
Aditya B Manaksia
Whole Time Director
DIN:614488

Sd/-
Navneet Manaksia
Whole Time Director cum CFO
DIN: 438612

Notes to the Consolidated Financial Statements

Statement containing salient features of the financial statement of subsidiaries companies (Form AOC-1)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(INR' Lakhs)

SR. No.	Name of the Subsidiary	FY since when subsidiary was acquired	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus (Losses)/ Gains	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation Gains/ (Losses)	Provision for tax	Profit After Taxation Gains/ (Losses)	Proposed Dividend	% of Shareholding
1	Euroasian Ventures FZE	2005-06	1st April to 31st March	AED	AEDINR = 0.05	5,136	10,586	22,151	6,430	7,068	10	(35)	-	(35)	-	100%
2	Euroasian Steels LLC.	2008-09	1st April to 31st March	GEL	GELINR = 0.04	4,161	(2,953)	9,564	8,355	-	-	(0)	-	(0)	-	88%
3	Glitter Agencies Private Limited	2016-17	1st April to 31st March	INR	-	499	(84)	1,439	1,024	-	8	(20)	-	(20)	-	100%
4	Jiwaniyoti Vanijiya Private Limited	2016-17	1st April to 31st March	INR	-	499	(97)	1,628	1,225	-	8	(25)	-	(25)	-	100%
5	B.K. Manaksia Nigeria Limited	2017-18	1st April to 31st March	NAIRA	INRNGN = 4.78	84	(27)	3,700	3,644	-	-	(7)	-	(7)	-	100%
6	BKM Agrotech Private Limited	2018-19	1st April to 31st March	INR	-	1	(1)	0	-	-	-	(1)	-	(1)	-	100%



BKM
INDUSTRIES LIMITED

Formerly Manaksia Industries Limited

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