



IMPEX FERRO TECH LIMITED

Annual Report

2019-20

Navigating the pages

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DISCLAIMER

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Notice

NOTICE is hereby given that the 25th Annual General Meeting of the members of the Company will be held on Tuesday, 22nd December, 2020 at 3.00 P.M. through Video Conferencing/ Other Audio Visual Means (VC/OAVM) to transact the following businesses. The venue of the meeting shall be deemed to be the corporate office of the Company at SKP House, 132A, S. P. Mukherjee Road, Kolkata – 700 026.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet, Statement of Profit and Loss of the Company for the financial year ended 31st March, 2020 and the report of the Auditors' & Directors' thereon.
2. To appoint a Director in place of Mr. Satish Kumar Singh (DIN: 05295625), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Sections 139, 141 and 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. R. Kothari & Company LLP, Chartered Accountants (FRN: E300266), [erstwhile M/s. R. Kothari & Co. (FRN:307069E)] be and are hereby re-appointed as the Statutory Auditors of the Company for a period of One (1) year commencing from the conclusion of this Annual General Meeting till the conclusion of Twenty Sixth (26th) Annual General Meeting to be held in the year 2021 at such remuneration as mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and the Company’s Policy on Related Party Transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with M/s. Ankit Metal & Power Ltd., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of manganese ore, dolomite, pearl coke, etc. and sale of silicon manganese on such terms and conditions as the Board of Directors may

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deem fit, up to a maximum aggregate value of ₹ 200 Crores for the financial year 2020-21, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Director of the Company and to do all acts, deeds and things and take such steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(2) or any amendment thereto and modification thereof and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of ₹ 40,000/- plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. A.J.S & Associates, Cost Accountants (Registration No. 000106), who has been re-appointed by the Board of Directors of the Company as Cost Auditor to conduct an audit of the cost accounting records maintained by the Company for the financial year 2020-21 be and is hereby ratified.”

By Order of the Board
For Impex Ferro Tech Limited

Richa Lath

Company Secretary

Membership No. A31964

Place: Kolkata

Date: 12th November, 2020

NOTES:

1. In view of the continuing Covid-19 Pandemic, the Ministry Of Corporate Affairs (MCA) in accordance with the General Circular No. 20/2020 Dated 5th May, 2020, read with the Circulars dated 8th April, 2020 and 13th April, 2020 and in accordance with the Circular dated 12th May, 2020 issued by the Securities and Exchange Board Of India (SEBI) providing relaxations to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, Collectively “Applicable Circulars”) AGM shall be conducted through VC/OAVM. The physical attendance of the Members has been dispensed with and accordingly, a Member is not entitled to appoint a Proxy.
2. Pursuant to Circular No. 14/2020 dated 8th April, 2020 issued by the Ministry of Corporate Affairs (MCA), facility to appoint Proxy to attend and cast vote for the members will not be available for the ensuing AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Bodies Corporate are entitled to appoint authorised

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representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The members can join AGM in VC/OAVM mode 30 minutes before the scheduled time of the commencement of the meeting by following the procedure for attending the meeting as mentioned further in the Notice.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of quorum u/s 103 of the Companies Act, 2013.
5. Institutional/Corporate Members are requested to send a scanned copy (PDF or JPEG) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013 at cs@impexferrotech.com
6. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and clause 1.2.5 of Secretarial Standards – 2 (SS-2) on General Meeting relating to Special Business to be transacted at the Meeting and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is annexed hereto.
7. The relevant details, as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and the Secretarial Standards on General Meetings (SS2) in respect of Director seeking reappointment under Item No. 2 is annexed hereto as additional information.
8. The cut-off date for voting purpose will be 15th December, 2020.
9. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
10. The Notice of 25th AGM along with Annual Report for the financial year 2019-20 is available on the website of the Company at www.impexferrotech.com and on the website of the Stock Exchanges, i.e. BSE Limited (BSE) at www.bseindia.com and National Stock Exchange of India Limited (NSE) at www.nseindia.com and on the website of the CDSL at www.cdslindia.com.
11. M/s. Maheshwari Datamatics Pvt. Ltd. having its registered office at 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001 is appointed as the Company's Registrar & Transfer Agent (RTA) for its share registry (both physical as well as electronic).
12. Members who have not updated their latest email addresses in the records with the Company/Transfer Agents and their Depository Participants are requested to update the same at the earliest.

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13. In accordance with the Applicable Circulars, electronic copies of the Annual Report and this Notice, inter-alia, indicating the process and manner of e-voting along with instructions to attend the AGM through VC/OAVM are being sent by email to those Members whose email addresses have been made available to the Company/ Depository Participants.
14. Relevant documents referred to in the accompanying Notice shall be available for inspection through electronic mode, basis the request being sent to cs@impexferrotech.com.
15. Members holding shares in dematerialised form are requested to intimate changes, if any, with their relevant Depository Participants.
16. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited., 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 and to their respective DPs in respect of Equity Shares held in dematerialised form.
17. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least Ten (10) days before the meeting so that the same could be complied in advance.
18. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding physical forms are requested to convert their holding to dematerialized form. Members can contact the Company or to the Company's Registrar & Transfer Agent, Maheshwari Datamatics Pvt. Ltd. for assistance in this regard.
19. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested are advice any change in their address or bank mandates to the Company/Company's Registrar & Share Transfer Agent.
20. In case of joint holders, the Member whose names appear as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
21. The Ministry of Corporate Affairs (MCA), Government of India, has introduced a 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and rules framed thereunder.

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22. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.
23. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 (SS-2) on General Meetings, the members are informed that the Company is pleased to offer e-voting facility to cast their vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The e-voting facility is available at the link www.evotingindia.com vide the EVSN **201125012**.

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

Commencement of e-voting	From : 9:00 a.m. of 19th December, 2020
End of e-voting	Upto : 5:00 p.m. of 21st December, 2020

E-voting shall not be allowed beyond 5.00 p.m. of 21st December, 2020.

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

24. Members joining the meeting through VC, who have not cast their vote by means of remote e-voting, shall be able to exercise their vote through e-voting at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be able to cast their vote again.
25. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at cs@impexferrotech.com. The same will be replied by the Company suitably.
26. Electronic copy of the Annual Report for the financial year 2019-20 together with the copy of the Notice of the 25th AGM of the Company interalia stating the process and manner of remote e-voting are being sent to all the members whose email Ids are registered with the Company/ Depository Participant(s) for communication purposes.
27. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Names, DP ID and Client ID/Folio No, PAN, Mobile No. atleast 48 hours before the start of the AGM at cs@impexferrotech.com. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the

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AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

28. Members who need assistance before or during the AGM, can contact CDSL by sending an email to helpdesk.evotingindia.com or call 1800225533.

E-VOTING PROCEDURE

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 19th December, 2020 at 9:00 a.m. and ends on 21st December, 2020 at 5:00 p.m. During this period shareholders' of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of 15th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders".
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field

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	<ul style="list-style-type: none">In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none">If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <IMPEX FERRO TECH LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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:

1. 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 the Company at cs@impexferrotech.com or to RTA at mdplc@yahoo.in.
2. 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) by email to the Company at cs@impexferrotech.com or to RTA at mdplc@yahoo.in.
3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

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

1. 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.
2. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

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4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their question advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@impexferrotech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@impexferrotech.com. These queries will be replied to by the Company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the 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 AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the 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 AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

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- 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.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help Section or write an email to helpdesk.evoting@cdslindia.com 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.

EXPLANATORY STATEMENT IN PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS – 2 (SS-2) ON GENERAL MEETING AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 3

M/s. R. Kothari & Company LLP, Chartered Accountants, (FRN: E300266) were appointed as Statutory Auditors of the Company for a period of 1 year at the Annual General Meeting (AGM) held on 25th September, 2019. Their term of appointment of 1 year expires at the ensuing AGM. On the recommendation of the Audit Committee, the Board of Directors in their meeting held on 14th August, 2020, have recommended for the approval of the members, the re-appointment of M/s. R. Kothari & Company LLP as Statutory Auditors of the Company for a further period of One (1) year. M/s. R. Kothari & Company LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder.

M/s. R. Kothari & Company LLP was renamed from M/s. R. Kothari & Company w.e.f. 3rd June, 2020 having Firm Registration No. as E300266. The registered office of the firm is at 16A, Shakespeare Sarani, Kolkata - 700071.

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

M/s. R. Kothari & Company LLP, Chartered Accountants, have given their consent for the said re-appointment and confirmed that their re-appointment, if made, would be within the limits

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specified under Section 141 of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any.

The remuneration proposed for audit of the financial statements for the financial year 2020-21 for the Company is ₹ 2.80 Lacs plus reimbursement of out of pocket expenses and applicable taxes. In addition to the above and in accordance with the provisions of the Act, the Board /Audit Committee may approve the fee payable to the auditors for limited reviews, certifications and other permitted services to be rendered by the Auditors in accordance with the provisions of Section 144 of the Act, as deemed appropriate.

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

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

Item No. 4

Ankit Metal & Power Limited (AMPL) is involved in the business of trading and manufacturing of manganese ore, steel and other steel products. Manganese ore is a key raw material in your Company's business operations. To ensure stability of supplies in terms of quality and logistics, the Company proposes to enter into transaction(s) with AMPL, which is your Group Company. Since AMPL sources the same commodity for IFTL, your Company is able to take advantage of the large volumes at a better negotiated price for its comparatively smaller volume.

Section 188 of the Act and the applicable Rules framed thereunder provides that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the turnover of the Company as per last audited financial statements of the Company.

The value of proposed aggregate transactions with AMPL is likely to exceed the said threshold limit, and is expected to be around ₹ 200 Crores during the financial year 2020-21.

Accordingly, transaction(s) entered into with AMPL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with AMPL in the financial year 2020-21.

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Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with AMPL are as follows:

Sl. No.	Particulars	Remarks
1.	Name of the Related Party	Ankit Metal & Power Limited
2.	Name of the Director or KMP who is related	Mr. Suresh Kumar Patni, Mr. Ankit Patni
3.	Nature of Relationship	Group Company
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase of manganese ore, dolomite, pearl coke, etc. and sale of silico manganese. Monetary value of proposed aggregate transaction during financial year 2020-21 is expected to be ₹ 200 crores.
5.	Any other information relevant or important to the members to take a decision on the proposed resolution	Above materials as required for trading purpose.

None of the Directors/ Key Managerial Personnel of the Company or their relatives, other than as mentioned above, are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The Board recommends the resolution set out at item no. 4 of the Notice for approval by the shareholders.

Item No. 5

As recommended by Audit Committee, the Board of Directors had appointed M/s. A.J.S & Associates, Cost Accountants (Registration No. 000106), being eligible and having sought re-appointment, as Cost Auditor of the Company, for a remuneration of ₹ 40,000/- plus applicable taxes and re-imburement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2020 and ending on 31st March, 2021.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration is required to be ratified by members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

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

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ADDITIONAL INFORMATION:

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

The relevant details of Directors seeking appointment/re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings (SS-2) are given below:

Name of Director	Mr. Satish Kumar Singh
Date of Birth (age)	20.12.1985 (35 years)
Date of first appointment on the Board	24.08.2012
Brief Resume including qualification	He is B.Tech (Electrical & Electronic Engineering) and has been actively involved in the overall management of the Company's Manufacturing facility at Kalyaneshwari.
Experience (including nature of his expertise in specific functional areas)	Wide experience in electrical and electronic engineering.
Terms and conditions of re-appointment	As per the Agreement executed between the Company and Mr. Satish Kumar Singh dated 24.08.2018. It is open for inspection for all shareholders at the Corporate office of the Company on all working days except Saturday between 11.00 a.m. to 2.00 p.m. upto the date of Annual General Meeting of the Company.
Details of remuneration sought to be paid	₹ 1,00,000/- per month
Remuneration last drawn	₹ 1,00,000/- per month
No. of Meetings of the Board attended during the year	5
Relationship with other Directors/ Key Managerial Personnel	-
Directorships in other Listed Companies	NIL
Membership/Chairmanships of the Committees** of the Board of other Listed Companies	NIL
Shareholding	NIL

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

Directors' Report

Dear Shareholders,

The Directors are pleased to present the 25th Annual Report of the Company together with Audited Accounts for the Financial Year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31st March, 2020 is summarized below:

(₹ in Lacs)

Particulars	Current Year 31.03.2020	Previous Year 31.03.2019
Revenue from Operations (net)	5,291.24	9,981.88
Other Income	156.16	27.97
Total Revenue	5,447.40	10,009.85
Profit before Finance Cost, Depreciation and Tax	(1,818.21)	(848.16)
Less: Depreciation & Amortisation	684.05	707.77
Less: Finance Cost	2.55	118.70
Less: Tax Expenses	-	-
Net Profit after Tax	(2,504.81)	(1,674.63)
Less: Exceptional Item	-	-
Other Comprehensive Income/(Loss) (net of Tax)	(10.11)	42.04
Total Comprehensive Income/(Loss)	(2,514.92)	(1,632.60)

Note: Figures of the previous year has been re-grouped/revised wherever necessary.

FINANCIAL AND OPERATIONAL REVIEW

During the year under review, the Company has achieved Net Sales/Revenue from operation of ₹ 5,291.24 lacs as against ₹ 9,981.88 lacs in previous year registering a decrease of 46.99%. The Company incurred a loss of ₹ 2,504.81 lacs as against ₹ 1,674.63 lacs in the previous year. The losses are mainly attributed due to liquidity crunches and increase in input cost.

GENERAL RESERVE

The Company has not transferred any amount to the General Reserve due to the losses incurred during the financial year 2019-20.

DIVIDEND

In view of the losses incurred by the Company, the Directors of the Company do not recommend any dividend for the financial year 2019-20.

BOARD MEETINGS

The Board met Five (5) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' Report

CHANGES IN SHARE CAPITAL & MEMORANDUM OF ASSOCIATION

There was no change in the Share Capital and Memorandum of Association and Articles of Association of the Company during the financial year 2019-20.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment/Re-appointment

Pursuant to the provisions of Section 161 of the Companies Act, 2013, read with the relevant provisions in the Articles of Association, Mr. Sharat Malik (DIN: 08529458) was appointed as an Additional Director (Non-Executive Independent) by the Board of Directors of the Company w.e.f. 12th August, 2019 and was subsequently regularised as an Independent Director in the Annual General Meeting held on 25th September, 2019.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, read with the relevant provisions in the Articles of Association, Mr. Debasish Mukherjee (DIN: 08529465) was appointed as an Additional Director (Non-Executive Independent) by the Board of Directors of the Company w.e.f. 12th August, 2019 and was subsequently regularised as an Independent Director in the Annual General Meeting held on 25th September, 2019.

Pursuant to the provisions of Section 149 and 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV of the SEBI (LODR) Regulations, 2015, Mrs. Sujata Agarwal (DIN: 06833458), Non Executive Independent Director of the Company whose tenure as an Independent Director expires on 8th October, 2019 has been recommended by the Board of Directors in their meeting held on 12th August, 2019 to hold office for further period of Five (5) years w.e.f 9th October, 2019. The Company has received a notice in writing from a member proposing her candidature for the office of Non-Executive Independent Director.

Retirement

In accordance with the provisions of the Companies Act, 2013, Mr. Satish Kumar Singh (DIN: 05295625), retires by rotation and being eligible, offers himself for re-appointment.

Resignation

During the year Mr. Aritro Roy (DIN: 08257216), Additional Director (Non-Executive Independent) of the Company has resigned from the directorship of the Company w.e.f. 12th August, 2019 due to some personal and unavoidable reasons.

During the year Mr. Nanda Samai (DIN: 02566965), Non-Executive Independent Director of the Company has resigned from the directorship of the Company w.e.f. 12th August, 2019 due to some personal and unavoidable reasons.

Key Managerial Personnel's (KMPs)

There was no changes in the KMPs in the Company during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and external agencies, the reviews performed by Management and the relevant Board Committees, the Board with the

Directors' Report

concurrence of the Audit Committee, is of the opinion that the Company's Internal Financial Controls were adequate and effective as on 31st March, 2020.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm:

- a) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) that we have selected such accounting policies and applied them consistently and made judgements 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 profit and loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a "going concern" basis;
- e) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

CREDIT RATING

During the year under review Credit Rating has not been done. The Company's credit rating for the year 2015-16 for Long-Term debts/facilities was 'D' and Short-Term facilities was 'A4 (A Four) given by ICRA Limited.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, no Company has become or ceased to exist as the subsidiary of the Company. The Company has also not entered into any Joint Venture nor become an Associate Company during the year under review.

EXTRACT OF ANNUAL RETURN

The details of the extract of the Annual Return in the Form MGT-9 as on 31st March, 2020 is annexed herewith and forms part of this Report as **Annexure-I**.

WEB ADDRESS OF ANNUAL RETURN

Pursuant to the provisions of the Companies Act, 2013 read with applicable rules made thereunder, the extract of Annual Return of the Company has been disclosed on the website of the Company at <http://impexferrotech.com/extract.html>.

PUBLIC DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Directors' Report

INSURANCE

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

BUSINESS RESPONSIBILITY REPORT

The business responsibility report as per Regulations 34(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to the Company as the Company does not fall under Top 500 Listed Companies on the basis of Market Capitalization.

DIVIDEND DISTRIBUTION POLICY

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

AUDIT AND AUDITORS

STATUTORY AUDITOR

In terms of the Companies Act, 2013, M/s. R. Kothari & Co LLP (Formerly known as R. Kothari & Co, FRN: 307069E), Chartered Accountants (FRN: E300266), were re-appointed as the Statutory Auditors of the Company for a term of One (1) year, from the conclusion of 24th Annual General Meeting till the conclusion of 25th Annual General Meeting. Accordingly, the term of M/s. R. Kothari & Co LLP. would be completed upon the conclusion of the ensuing Annual General Meeting. As per the provisions of the Companies Act, 2013, M/s. R. Kothari & Co LLP, Chartered Accountants have a further term of Two (2) years for re-appointment.

The Board of Directors, after considering the recommendations of the Audit Committee, at its meeting held on 14th August, 2020 has recommended the re-appointment of M/s. R. Kothari & Co LLP, Chartered Accountants, (FRN: E300266) as the Statutory Auditors of the Company for a further period of One (1) year commencing from the conclusion of this Annual General Meeting till the conclusion of the 26th Annual General Meeting.

The Company has received consent cum eligibility letter from M/s. R. Kothari & Co LLP, Chartered Accountants to the effect that the appointment would be in accordance with limits specified under the Companies Act, 2013. As required under SEBI Regulations, they have confirmed that they hold valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

A resolution proposing their re-appointment of M/s. R. Kothari & Co. LLP, Chartered Accountants as the Statutory Auditor of the Company, from the conclusion of the ensuing Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company, at a remuneration fixed by the Board of Directors, is submitted at the Annual General Meeting for approval of the members.

Directors' Report

STATUTORY AUDITOR OBSERVATION

The Statutory Auditor has put the qualification remark in their report. The details are as follows:-

The Auditors have drawn attention to Note No. 4 of the accompanying Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to ₹ 961.56 Lacs for the quarter ended 31st March, 2020 and ₹ 3,670.82 Lacs for the year ended 31st March, 2020 (Cumulative Non Provisioning of ₹ 13,795.93 Lacs till 31st March, 2020) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expense been recognized, the finance cost for the quarter ended 31st March, 2020 would have been ₹ 962.02 Lacs instead of ₹ 0.46 Lacs and finance cost for the year ended 31st March, 2020 would have been ₹ 3,673.37 Lacs instead of reported amount of ₹ 2.55 Lacs. The total expenses for the quarter and year ended 31st March, 2020 would have been ₹ 2,851.59 Lacs and ₹ 11,623.03 Lacs instead of ₹ 1,890.03 Lacs and ₹ 7,952.21 Lacs respectively. The Net Loss after tax for the quarter and year ended 31st March, 2020 would have been ₹ 1,684.28 Lacs and ₹ 6,175.63 Lacs instead of ₹ 722.72 Lacs and ₹ 2,504.81 Lacs respectively. Total comprehensive Loss for the quarter and year ended 31st March, 2020 would have been ₹ 1,724.40 Lacs and ₹ 6,185.74 Lacs instead of reported amount of ₹ 762.84 Lacs and ₹ 2,514.92 Lacs respectively. Other equity as on 31st March, 2020 would have been ₹ (44,486.93 Lacs) instead of reported amount of ₹ (30,691 Lacs) and current financial Liability as on 31st March, 2020 would have been ₹ 32,208.85 Lacs instead of reported amount of ₹ 18,412.92 Lacs.

Our comments are as under:

The lenders have stopped charging interest on debts, since the dues from the Company have been categorized as Non- Performing Asset. The Company is in active discussion/negotiation with its lenders to restructure its debts at a sustainable level including waiver of unpaid interest. In view of the above, pending finalization of the restructuring plan, the Company has stopped providing interest accrued and unpaid effective 1st April, 2016 in its books. The amount of such accrued and unpaid interest not provided for stands at ₹ 3,670.82 Lacs for the year ended 31st March, 2020 and accordingly the same has not been considered for compilation of Results for the year ended 31st March, 2020.

COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has re-appointed M/s. A.J.S. & Associates, Cost Accountants (FRN : 000106), as Cost Auditor of the Company, at a remuneration of ₹ 40,000/- plus applicable taxes and re-imbursment of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2020 and ending on 31st March, 2021.

Directors' Report

COST RECORDS

The Company has duly prepared and maintained the cost records of the business activities carried out by the Company during the financial year 2019-20 as required pursuant to the provisions of section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014.

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

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 and rules made there under, CS Hanuman Mal Choraria of M/s. H M Choraria & Co., Practicing Company Secretary, have been appointed as Secretarial Auditor of the Company for the financial year 2019-20. The report of the Secretarial Auditor in **Form MR-3** is enclosed as **Annexure-II** to this report.

SECRETARIAL AUDITOR OBSERVATION

The Secretarial Auditor has the following observation in Form MR-3 enclosed as Annexure II

- i. The Company has defaulted in payment of statutory dues within the prescribed time.

Our comment is as under:

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

SECRETARIAL COMPLIANCE REPORT

Pursuant to SEBI Circular no. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and Regulation 24(A) of the SEBI Listing Regulations, Secretarial Compliance Report for the financial year ended 31st March, 2020 issued by M/s. H.M. Choraria & Co., (Prop. Mr. Hanuman Mal Choraria, FCS - 2398), Practicing Company Secretary is annexed herewith and marked as **Annexure - III** to this report. The Secretarial Compliance Report does not contain any qualifications, reservation or adverse remarks.

INTERNAL AUDITOR

In terms of Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has re-appointed M/s. NR & Associates, Cost Accountants, (FRN: 102903) as Internal Auditor of the Company for the financial year 2020-21 at a remuneration fixed by the Board of Directors of the Company in consultation with the Auditors.

INTERNAL FINANCIAL CONTROL SYSTEM

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

The financial control system and framework is required to ensure:

Directors' Report

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and
- The timely preparation of reliable financial information.

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

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect our IFC. The management has also come to the conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditor of the Company has audited the IFC over Financial Reporting and their Audit Report is annexed to the Independent Auditors' Report under Financial Statements.

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

Disclosure pertaining to remuneration and other details as required under Section 134(3)(q), 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report as **Annexure-IV**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A statement giving details of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules 2014, is annexed to this report as **Annexure-V**.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

The Board has formulated a Code of Conduct for the Board Members and Senior Management of the Company, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to that effect has been obtained from the Directors and the Senior Management.

PREVENTION OF INSIDER TRADING

The Company already had a structured Code of Conduct for Prevention of Insider Trading, with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code has been further streamlined to keep parity with the Companies Act, 2013 and SEBI

Directors' Report

(Prohibition of Insider Trading) Regulations, 2018 and be named as 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' which is also displayed on the website of the Company www.impexferrotech.com.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All the Directors and designated employees, who hold any shares in the Company, have confirmed compliance with the Code.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

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

MATERIAL CHANGES AFFECTING THE COMPANY

In the financial year 2019-20, the Corona Virus (COVID-19) pandemic developed rapidly into a global crisis, forcing Governments to enforce lockdowns of all economic activity. This pandemic has affected the business operations of the Company, by way of interruption in production activities, supply chain and availability of manpower during the period. The demand for Company's products and supply chain were badly hit due to lockdown causing further worsening of the liquidity position of the Company. After the lockdown norms were relaxed by the Government of India and the District Administration of respective State Governments, the manufacturing activities gradually commenced at our plant location with reduced manpower and keeping in view all safety precautions and measures as directed by the Government. Due to huge outstanding debts, the Company is in a severely distressed condition as a result of which it is continuously facing liquidity problem keep its plant in running condition. However, the Company is trying its best to tide over the liquidity crunches as far as practicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions between the Company and the Directors, the management, or the relatives except for those disclosed in the Financial Statements. The Company has sought omnibus

Directors' Report

approval for Related Party Transactions as per Regulation 23 (3) of SEBI LODR Regulations, 2015 for the Financial Year 2019-20.

Accordingly, particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 (**Annexure VI**) is **NIL**.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration. A note on Remuneration Policy has been made a part of the Corporate Governance Report.

RISK MANAGEMENT POLICY

The Company has a defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy provides for identification of risk, its assessment and procedures to minimize risk. The policy is periodically reviewed to ensure that the executive management controls the risk as per decided policy.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has an Sexual Harassment Policy in line with the requirements of the Sexual Harassment of any employee at workplace. The Audit Committee will redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaints pertaining to sexual harassment were received during the financial year 2019-20.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the Industry. The familiarisation programmes policy and details of familiarisation programme provided to the Directors of the Company is available on the Company's website www.impexferrotech.com.

Directors' Report

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition and terms of reference of Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for the development of programmes and projects for the benefit of weaker Sections of the society and the same has been approved by the CSR Committee and the Board of Directors of the Company. The Company has not spent any amount in CSR activities since the Company has incurred losses during the last 3 years eroding the entire net worth.

VIGIL MECHANISM POLICY

In terms of Section 177 of the Companies Act, 2013, rules framed there under and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organisation can be communicated. For this purpose, the Board has a Vigil Mechanism Policy and the same has been uploaded on the website of the Company i.e. www.impexferrotech.com. The policy provides access to the Chairman of the Audit Committee in certain circumstances. During the year under review, there has been no incidence reported which requires action by the Audit Committee.

PERFORMANCE/BOARD EVALUATION

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

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report on Corporate Governance as stipulated under the above Regulation forms an integral part of this Annual Report.

Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the year under review, as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is presented in a separate Section forming part of this Annual Report.

CEO/CFO CERTIFICATION

As required by Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the CEO/CFO certification has been submitted to the Board and forms an integral part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year, the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

AWARDS & ACHIEVEMENTS

During the year under review the Company has not received any awards.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send electronic copies of Annual Report, notices etc., to the e-mail IDs of shareholders. The Company has accordingly arranged to send the soft copies of these documents to the e-mail IDs of shareholders wherever applicable.

The Company has made arrangement with CDSL/NSDL/RTA for updating the email address of the concerned shareholders for supply of Annual Report in electronic means due to non printing of Annual Report physically for the outbreak of novel Corona Virus (CoVID-19).

To support the 'Green Initiative', the members who have not registered their email addresses are requested to register the same with the Registrar & Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc from the Company electronically.

APPRECIATION

The Directors wish to extend their thanks and appreciation for the valuable and continued support received from the Shareholders, Company's Bankers, Central and State Government Authorities, Stock Exchange(s), Depository Participants (DP's) and all other Business Associates for the growth of the organisation.

The Directors also wish to place on record their deep appreciation to all the employees for their commitment and continued contribution to the Company.

Directors' Report

ANNEXURE FORMING PART OF THE DIRECTORS REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and forms part of the Directors Report:

<i>Annexure</i>	<i>Particulars</i>
I	Extract of the Annual Return (Form MGT-9)
II	Secretarial Audit Report (Form MR 3)
III	Secretarial Compliance Report
IV	Particulars of Employees
V	Prescribed particulars of Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo
VI	Particulars of Contract or Arrangements with Related Parties (Form AOC 2)

For and on behalf of the Board
Impex Ferro Tech Limited

Place: Kolkata

Date: 12th November, 2020

Suresh Kumar Patni
Chairman cum Managing Director

Annexure to the Directors' Report

Annexure-I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

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

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L27101WB1995PLC071996
ii	Registration Date	7th June, 1995
iii	Name of the Company	Impex Ferro Tech Limited
iv	Category/Sub-category of the Company	Public Company (Limited by Shares having Share Capital)
v	Address of the Registered Office & contact details	35, C.R. Avenue, 4th Floor, Kolkata - 700 012. Phone No.: +91-33-2211 0225/0226
vi	Whether listed company	Yes (BSE Limited & National Stock Exchange of India Limited)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Maheshwari Datamatics Pvt. Ltd. 23, R N Mukherjee Road, 5 th Floor, Kolkata - 700 001 Phone : 91-33-22435029/22482248

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Ferro Alloys	24104	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

Annexure to the Directors' Report

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) CATEGORY-WISE SHAREHOLDING

Category of Shareholders	No of Shares held at the beginning of the year [As on 1st April, 2019]				No of Shares held at the end of the year [As on 31st March, 2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	8,51,800	-	8,51,800	0.97	8,51,800	-	8,51,800	0.97	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	5,99,13,046	-	5,99,13,046	68.14	5,99,13,046	-	5,99,13,046	68.14	-
e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	6,07,64,846	-	6,07,64,846	69.10	6,07,64,846	-	6,07,64,846	69.10	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	6,07,64,846	-	6,07,64,846	69.10	6,07,64,846	-	6,07,64,846	69.10	-
B. Public Shareholding									
1. Institutions									
a) Mutual Fund	-	-	-	-	-	-	-	-	-
b) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	15,31,648	5,16,000	20,47,648	2.33	10,31,194	5,16,000	15,47,194	1.76	(0.57)
i) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh.	1,15,41,549	42,871	1,15,84,420	13.17	1,14,81,089	42,871	1,15,23,960	13.11	(0.07)
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	1,23,98,858	1,98,100	1,25,96,958	14.33	1,33,92,684	1,98,100	1,35,90,784	15.46	1.13
c) Others									
1. Non Resident Indians	96,693	-	96,693	0.11	1,42,641	-	1,42,641	0.16	0.05
2. Clearing Members	8,13,482	-	8,13,482	0.93	3,61,679	-	3,61,679	0.41	(0.51)
3. Trusts	500	-	500	0.00	500	-	500	0.00	-
4. NBFCs registered with RBI	27,057	-	27,057	0.03	-	-	-	0.00	(0.03)
Sub-total(B)(2)	2,64,09,787	7,56,971	2,71,66,758	30.90	2,64,09,787	7,56,971	2,71,66,758	30.90	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	2,64,09,787	7,56,971	2,71,66,758	30.90	2,64,09,787	7,56,971	2,71,66,758	30.90	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8,71,74,633	7,56,971	8,79,31,604	100.00	8,71,74,633	7,56,971	8,79,31,604	100.00	-

Annexure to the Directors' Report

ii) SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (as on 1st April, 2019)		Shareholding at the end of the year (as on 31st March, 2020)		% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
Directors & their Relatives						
1	Mr. Ankit Patni	1,75,600	0.20	1,75,600	0.20	100.00
2	Mr. Rohit Patni	1,75,000	0.20	1,75,000	0.20	100.00
3	Mr. Suresh Kumar Patni	4,66,200	0.53	4,66,200	0.53	100.00
4	Mrs. Sarita Patni	35,000	0.04	35,000	0.04	100.00
Bodies Corporate						
5	M/s. Invesco Finance Pvt. Ltd.	1,08,71,250	12.36	1,08,71,250	12.36	100.00
6	M/s. Vaspujiya Enterprises Pvt. Ltd.	1,06,00,000	12.05	1,06,00,000	12.05	100.00
7	M/s. Shreyansh Leafin Pvt. Ltd.	39,50,000	4.49	39,50,000	4.49	100.00
8	M/s. Whitestone Suppliers Pvt. Ltd.	24,50,000	2.79	24,50,000	2.79	100.00
9	M/s. Poddar Mech Tech Services Pvt. Ltd.	1,06,33,750	12.09	1,06,33,750	12.09	100.00
10	M/s. Suanvi Trading & Investment Co. Pvt. Ltd.	1,50,73,046	17.14	1,50,73,046	17.14	100.00
11	M/s. Astabhuja Properties Pvt. Ltd.	63,35,000	7.20	63,35,000	7.20	100.00
	Total	6,07,64,846	69.10	6,07,64,846	69.10	100.00

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sl. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares held as on 1st April, 2019	% of total Shares of the Company	No. of Shares held as on 31st March, 2020	% of total Shares of the Company
	At the beginning of the year	6,07,64,846	69.10	6,07,64,846	69.10
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change			
	At the end of the year	6,07,64,846	69.10	6,07,64,846	69.10

Annexure to the Directors' Report

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR's & ADR's)								
Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding at the End of the Year	
		No. of Shares held as on 1st April, 2019	% of total Shares of the Company	Date of transaction	No. of Shares	Reason	No. of Shares held as on 31st March, 2020	% of total Shares of the Company
1	M/S. BMA WEALTH CREATORS LTD.	5,63,633	0.64				5,63,633	0.64
	Transfer			23-Aug-2019	(3,000)	Sell	5,60,633	0.64
	Transfer			30-Aug-2019	(2,00,451)	Sell	3,60,182	0.41
	Transfer			13-Sep-2019	(25,502)	Sell	3,34,680	0.38
	At the end of the Year						3,34,680	0.38
2	M/S. PRASTAV COMMERCE PVT. LTD.	5,01,000	0.57				5,01,000	0.57
	At the end of the Year						5,01,000	0.57
3	MR. PUNEET KUMAR GIRDHAR	5,00,000	0.57				5,00,000	0.57
	At the end of the Year						5,00,000	0.57
4	MR. K GEORGE THOMAS	2,47,555	0.28				2,47,555	0.28
	At the end of the Year						2,47,555	0.28
5	MS. VIDYASHREE	2,45,043	0.28				2,45,043	0.28
	At the end of the Year						2,45,043	0.28
6	MR. BRAHAM PAL SINGH	2,13,493	0.24				2,13,493	0.24
	At the end of the Year						2,13,493	0.24
7	MR. SUYOG RAMAKANT KHUDE	2,02,356	0.23				2,02,356	0.23
	At the end of the Year						2,02,356	0.23
8	MR. NARESH KUMAR JAIN	1,98,100	0.23				1,98,100	0.23
	At the end of the Year						1,98,100	0.23
9	M/S. KAYNET FINANCE LIMITED	1,94,196	0.22				1,94,196	0.22
	At the end of the Year						1,94,196	0.22
10	MR. PANKAJ KUMAR	1,55,512	0.18				1,55,512	0.18
	At the end of the Year						1,55,512	0.18
Note:	1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is ₹ 87,93,16,040.							
	2. The above details was as on 31st March, 2020.							
	3. The details of holding has been clubbed based on PAN.							
V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL								
Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding at the end of the year	
		No. of Shares held as on 1st April, 2019	% of total Shares of the Company	Date of transaction	No. of Shares	Reasons	No. of Shares held as on 31st March, 2020	% of total Shares of the Company
1	Mr. Suresh Kumar Patni (Managing Director)	4,66,200	0.53	-	-	-	4,66,200	0.53
2	Mr. Ankit Patni (Non-Executive Promoter Director)	1,75,600	0.20	-	-	-	1,75,600	0.20
3	Mr. Satish Kumar Singh (Executive Director)	-	-	-	-	-	-	-
4	Mr. Aritro Roi (Additional Independent Director) %	-	-	-	-	-	-	-
5	Mr. Nanda Samai (Independent Director) %	-	-	-	-	-	-	-
6	Mr. Sharat Malik (Independent Director) \$	-	-	-	-	-	-	-
7	Mr. Debasish Mukherjee (Independent Director) \$	-	-	-	-	-	-	-
8	Mrs. Sujata Agarwal (Independent Director)	-	-	-	-	-	-	-
9	Mr. Sanjeet Kumar Gupta (Chief Financial Officer)	-	-	-	-	-	-	-
10	Mrs. Richa Lath (Company Secretary)	-	-	-	-	-	-	-
Notes:	\$ Appointed w.e.f. 14th August, 2019							
	% Resigned from the Directorship w.e.f. 14th August, 2019							

Annexure to the Directors' Report					
VI. INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment					(₹ in Lacs)
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year (i.e. as on 1st April, 2019)					
i) Principal Amount	30,816.53	665.00	-	31,481.53	
ii) Interest due but not paid	16.04	-	-	16.04	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	30,832.57	665.00	-	31,497.57	
Change in Indebtedness during the financial year					
Additions	-	-	-	-	
Reduction	251.14	30.00	-	281.14	
Net Change	251.14	30.00	-	281.14	
Indebtness at the end of the financial year (i.e. as on 31st March, 2020)					
i) Principal Amount	30,565.39	635.00	-	31,200.39	
ii) Interest due but not paid	16.04	-	-	16.04	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	30,581.43	635.00	-	31,216.43	
VII REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A. Remuneration to Managing Director, Whole Time Director and/or Manager:					
					(Amount in ₹)
Sl.No	Particulars of Remuneration	Managing Director	Whole Time Director	Manager	Total Amount
		Mr. Suresh Kumar Patni	Mr. Satish Kumar Singh	N.A.	
	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961.	NA	NA	-	NA
1	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
5	Others	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	₹ 1,20,00,000/- p.a.			
<p>Note: * Mr. Suresh Kumar Patni, Managing Director and Mr. Satish Kumar Singh, Whole-Time Director was not getting any remuneration from the Company in the financial year 2019-20 as the Company Network is completely eroded, hence as per the agreement does not fulfill the criteria laid down under the Clause (ii) of second proviso Section II of Part II of Schedule V of Companies Act, 2013.</p>					

Annexure to the Directors' Report

B. Remuneration to other Directors:		(Amount in ₹)					
Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
	Independent Directors	Mr. Aritro Roy %	Mr. Nanda Samai %	Mrs. Sujata Agarwal	Mr. Sharat Malik \$	Mr. Debasish Mukherjee \$	
1	(a) Fee for attending Board Committee meetings	3,000.00	6,000.00	18,000.00	6,000.00	9,000.00	42,000.00
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	3,000.00		18,000.00	6,000.00	9,000.00	42,000.00
2	Other Non Executive Directors	Mr. Ankit Patni					
	(a) Fee for attending Board Committee meetings	18,000.00					18,000.00
	(b) Commission	-					-
	(c) Others, please specify.	-					-
	Total (2)	18,000.00		-	-	-	18,000.00
	Total (B)=(1+2)			-	-	-	60,000.00
	Total Managerial Remuneration	-		-	-	-	
	Overall Ceiling as per the Act.	₹ 1,00,000/- (Per Meeting)					
Note:	1. Sitting fees was excluding of TDS. Actual Payment was made after deduction of 10% TDS. 2. \$ Appointed w.e.f 14th August, 2019. 3. % Resigned w.e.f 14th August, 2019.						
C. Remuneration to Key Managerial Personnel other than - MD/MANAGER/WTD		(Amount in ₹)					
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total		
	Gross Salary	Company Secretary Mrs. Richa Lath		CFO Mr. Sanjeet Kumar Gupta			
1	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	5,08,236		15,98,000	21,06,236		
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	-		-	-		
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961.	-		-	-		
2	Stock Option	-		-	-		
3	Sweat Equity	-		-	-		
4	Commission as % of profit	-		-	-		
5	Others	-		-	-		
	Total	5,08,236		15,98,000	21,06,236		

Annexure to the Directors' Report					
VIII		PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES			
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					
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Annexure to the Directors' Report

Annexure - II

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) Rules, 2014]

The Members,
Impex Ferro Tech Limited
35, Chittaranjan Avenue,
Kolkata-700012

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Impex Ferro Tech Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Impex Ferro Tech Limited for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

Annexure to the Directors' Report

- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) Other than the fiscal, factory, labour and environmental laws which are generally applicable to all manufacturing / trading Companies, there are no such law that applies specifically to the Company. The examination and reporting of these laws and rules are limited to whether there are adequate system and process in place to monitor and ensure compliance of those laws, after carrying out test checks of the relevant records and documents maintained by the Company,

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

- (i) Secretarial Standards (SS 1 & SS 2) issued by The Institute of Company Secretaries of India,
- (ii) The Listing Agreements entered into by the Company with NSE and BSE Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, save and except the following observation:

1. *It has been observed that, the Company has defaulted in the payment of statutory dues, with in the prescribed time.*

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings which were sent at least seven days in advance, agenda and detailed notes on agenda were sent 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.

Annexure to the Directors' Report

Majority decisions is carried through at the Meetings of the Board and Committees and the dissenting members' views, if any, are captured and recorded as part of the minutes of respective meetings.

We further report that as per explanation given to us and the representations made by the Management, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific event has happened and / or no action has been taken by the Company having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above, save and except that the accumulated losses of the Company have eroded the entire net worth of the Company indicating the uncertainty about the Company's ability to continue on a going concerned basis.

Place: Kolkata:

Date: 12th November, 2020.

H M Choraria & Co.
Practicing Company Secretaries

(H M Choraria)
Proprietor
FCS No: 2398
C P No.: 1499
UDIN; F002398B001221913

**SECRETARIAL COMPLIANCE REPORT OF
IMPEX FERRO TECH LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2020**

I, Hanuman Mal Choraria, (Proprietor) of M/s H. M. Choraria & Co., Practising Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by the Company (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification

for the year ended on 31st March, 2020 (“Review Period”) in respect of compliance with the provisions of :

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

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993

and circulars/ guidelines issued thereunder;

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

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

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

Annexure to the Directors' Report

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	None	NA	N.A.	NA

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

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

- (e) The listed entity had suitably modified the terms of appointment of statutory auditors in terms of Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For M/s H.M. Choraria & Co.
Practicing Company Secretary

(Hanuman Mal Choraria)
(Proprietor)

FCS No.: 2398, C P No.: 1499

Place: Kolkata
Date: 26.07.2020

Annexure to the Directors' Report

Annexure – IV

Particulars of Employees

Sl. No.	Name of Director/ KMP & Designation	Remuneration of Director/KMP for Financial Year 2019-20	% increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director to median remuneration of employees
1.	Suresh Kumar Patni (Managing Director)	N.A.	N.A.	N.A.
2.	Mr. Satish Kumar Singh (Executive Director)	N.A.	N.A.	N.A.
3.	Mr. Sanjeet Kumar Gupta (CFO)	15,98,000	7.07%	N.A.
4.	Ms. Richa Agarwal (Company Secretary)	5,08,236	0.00%	N.A.

Note:

- i) All Directors other than the Managing Director and Executive Director received sitting fees during the F.Y. 2019-20.
- ii) Managing Director and Executive Director was not getting any remuneration from the Company in the financial year 2019-20 as the Company Net worth is completely eroded, hence as per the agreement does not fulfil the criteria laid down under the Clause (ii) of second proviso Section II of Part II of Schedule V of Companies Act, 2013.
- iii) In the Financial Year 2019-20, there was a increase of 29.50% in the median remuneration of employees in compare of previous Financial Year 2018-19.
- iv) There were 79 permanent employees on the rolls of Company as on 31st March, 2020.
- v) The remuneration of the Key Managerial Personnel put together is ₹ 21.06 lacs.
- vi) The remuneration of Directors/KMPs/Senior Management Personnel for the F.Y. 2019-20 is as per the Remuneration Policy of the Company.

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

Annexure to the Directors' Report

Annexure – V

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

A) Conservation of Energy

i. Steps taken for Conservation of Energy

- Installation of HT & LT Capacitor bank in Submerged Arc Furnace.
- Effective use of waste char for Power Generation.
- Effective maintenance and daily monitoring of capacitor bank for improvement in power factor.

ii. Steps taken for Utilising Alternate Source of Energy

- Installation of energy efficient light fittings in shop floor, offices and other areas.
- Replacement of old motors with energy efficient motors.

iii. Capital investment on energy conservation equipment

The Company proposes to install solar power equipments like night lighting systems and solar power pump sets to save on energy costs.

B) Technology Absorption

i. Efforts made towards technology absorption

The Company is continually updating the production processes through the latest technology.

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

- Improvement in the quality of its products.
- Improvement in the safe and environment friendly process.

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

iv. Expenditure incurred on Research and Development

a) Capital	NIL
b) Recurring	NIL
c) Total	NIL
d) Total R&D expenditure as a percentage of total turnover	NIL

C) Foreign Exchange Earnings and Outgo

i. Activities relating to export, initiative taken to increase exports, development of new export markets for the products & services and export plans:

The Company is actively exploring the export market and has taken various initiatives to export its products.

ii. Total Foreign Exchange used and earned: (₹ in Lacs)

Particulars	31.03.2020	31.03.2019
Foreign Exchange earned	-	-
Foreign Exchange used	-	-

Annexure to the Directors' Report

Annexure - VI

FORM AOC-2

1. Details of Contracts or Arrangements or Transactions not at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship	Nature of Contracts/ Arrangements / Transactions	Duration of the Contracts / Arrangements/ Transactions	Salient Terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date(s) of Approval by the Board	Amount paid as Advances, if any	Date on which the Special Resolution was passed in General Meeting as required under First Proviso to Section 188
NIL							

2. Details of Material Contracts or Arrangements or Transactions at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient Terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of Approval by the Board	Amount paid as Advances, if any
NIL					

For and on behalf of the Board
Impex Ferro Tech Limited

Suresh Kumar Patni
Chairman cum Managing Director

Place: Kolkata

Date: 12th November, 2020

Management Discussion and Analysis Report

ECONOMIC OVERVIEW

Global growth of economy has decreased to a level of 2.9% in year 2019-20 and growth is expected to fluctuate in the coming years.

The India's GDP growth for financial year 2019-20 is expected to be negligible. The nation is currently experiencing a phase of depression because of the COVID-19 pandemic which has adversely affected all sectors and specially the steel and ferro alloys sector which is highly dependent on foreign markets like China. Growth is expected to pick up towards the end of 2020 and the market may stabilise from early 2021. India also has an opportunity to strengthen its recent economic gains by initiating more integration in the global value chain. Factors such as a young working population, improving business climate and renewed focus on export expansion would support this opportunity.

FERRO ALLOYS INDUSTRY

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

GLOBAL FERRO ALLOYS SECTOR OVERVIEW

The global Ferro-alloys market is set to exceed US\$70 billion by 2025. The growing construction industry in emerging economies of the Asia-Pacific region is a prominent factor influencing the growth of the Ferro-alloys market. Rising population levels along with growth in per capita income in the region, due to decisions by governments, have propelled construction sector growth. The construction industry accounts for almost half the steel consumption; the presence of enormous raw material reserves in Asia Pacific could augment product manufacture. In India, US\$650 billion of investment is expected to be channelised towards urban infrastructure over the next 20 years. With improving construction methods, various steel products are expected to be consumed.

INDIAN FERRO INDUSTRY

The Indian ferro alloys production is gradually on increasing track in the year 2020-21 as compared to the year 2019-20 after the adverse effect of the COVID-19 pandemic. The Country's export of annual ferro alloys is also showing a gradual increase. The socio – political relations with neighbouring countries is also expected to play an important part in the future for ferro alloys industry.

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

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

OUTLOOK

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

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

Management Discussion and Analysis Report

Impex Ferro is the one of the significant manufactures ferro alloy in eastern India. The Company currently operates a manufacturing complex at Kalyaneshwari plant in West Bengal and has an integrated management system that encompasses quality, environment and occupational health and safety certification.

DETAILS OF SIGNIFICANT CHANGE IN KEY FINANCIAL RATIO

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

Ratio	F.Y.2019-20	F.Y. 2018-19	Change (%)	Reason for change
Operating Profit Margin (%)	(50.24)	(15.90)	215.97	Decrease in sales & increase in cost of production
Net Profit Margin (%)	(47.34)	(16.80)	182.17	Decrease in sales & increase in cost of production
Current Ratio (X)	0.20	0.20		Decrease in trade receivables, Loans and Advances and increase in current borrowings
Interest Coverage Ratio (X)	(981.67)	(13.10)	7393.66	Lower Interest cost & decrease in sales realisation
Debtors Turnover Ratio (X)	5.45	14.70	62.93	Decrease in receivables & turnover
Inventory Turnover Ratio (X)	1.11	2.80	60.36	Lower stock level maintained and Just-In-Time approach

RISK, OPPORTUNITIES AND THREATS

The Company manufactures Ferro Alloys. In financial year 2019-20, the overall growth of ferro alloys business was not satisfactory with slower increase in demand. Also, the effect of the COVID-19 pandemic has further put a halt on all production activities for almost four months. All construction sights and other areas of infrastructure was also put a halt and the country faced acute crisis of labour as most of them returned to their native places in view of the pandemic and lockdown being announced by the Government of India. The business was severely impacted by the increase in cost of raw material and over supply by China. The domestic consumption of steel is likely to increase 2021-22 due to Government initiatives like Make in India, building Smart Cities, focus on sanitation facilities and development in areas of roads and railways etc.

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

Further, the electrical energy is one of the major inputs in production of ferro alloys and high power tariff is a great threat for the ferro alloys industry. High power cost has already impacted us severely.

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

Government regulations, like reduction in import duties, anti-dumping duty and increase in power tariffs and shortage of power, may also affect the profitability of the Company, since 40% or more production costs account for power.

Management Discussion and Analysis Report

SEGMENT PERFORMANCE

During the year under review the Company has produced 8913.88 MT of Ferro Alloys against 14857.34 MT of Ferro Alloys in previous year registering an decrease of 40% over previous year.

HEALTH, SAFETY AND ENVIRONMENT

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

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

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

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

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all important functions.
- Deployment of an ERP system which covers most operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards, and internal procedures and systems.
- Ensuring the integrity of the accounting system; the properly authorised recording and reporting of all transactions.
- Ensuring a reliability of all financial and operational information.

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

INDUSTRIAL RELATIONS AND HUMAN RESOURCES

Human Resource management is not only important but also a critical asset for a Company's growth. The Company's human capital comprises a prudent mix of youth and experience. The Company employs contract labour in its manufacturing facilities. The Company partners with its employees to ensure a highly engaged and motivated workforce dedicated to achieving the Company's goals. We ensure a safe work environment for all our women employees. We also promote gender equality. Abiding by the Sexual Harassment Policy, we have a Complaint Committee which addresses any complaint from women employees in this relation and take

Management Discussion and Analysis Report

necessary action. The Policy is being reframed as per the provision of Sexual Harassment of Women at the Work Place (Prevention, Prohibition & Redressal) Act, 2013. During the year the Company has not received any complaints of sexual harassment. As on date of this report, the Company has 79 employees on its payroll.

CAUTIONARY STATEMENT

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

Corporate Governance Report

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the Organisation. Good Corporate Governance leads to long term Shareholder value and enhances interest of other Stakeholders.

The Company understands and respects its fiduciary and trusteeship role and responsibility to its stakeholders and strives hard to meet their expectations. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place have been institutionalised.

The Company's Equity shares are presently listed on two Stock Exchanges in India namely BSE Limited and National Stock Exchange of India Limited. Further the Company has complied in all material respects with the features of Corporate Governance Code as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the details of compliances by the Company for the year ended 31st March, 2019 are as under:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has endeavoured to benchmark itself against global standards in all areas, including Corporate Governance. Good Corporate Governance implies optimum utilisation of the resources and ethical behaviour of the enterprise to enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, which are the primary objectives of the Company.

BOARD OF DIRECTORS

• Composition and Category

The Board has strength of six (6) Directors as on 31st March, 2020. The Board comprises of optimum combination of Executive, Non-Executive and Independent Directors out of which two (2) Directors are Executive and four (4) were Non-Executive Directors of which three (3) were Independent Director including one (1) Woman Director. The Chairman of the Company is an Executive Promoter Director. The composition of the Board during the year was in conformity with Regulation 17(1) along with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

In compliance with Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board serve as an Independent Director of more than Seven (7) listed entities across all entities in which he/she is a Director. Further, none of the Director on the Board who is serving as a Whole time Director in any listed entity is serving as an Independent Director of more than Three (3) listed entities across all entities in which he/she is a Director. Further, in compliance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board is a member of more than Ten (10) Committees or Chairman of more than Five (5) Committees across all Public Limited Companies (whether listed or not) in which he/she is a Director. The Directors regularly inform the Company about the changes in their positions as and when changes take place, apart from the annual disclosures. For assessment of these criteria, the membership/chairmanship of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered. Further, in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship in more than Twenty (20) Companies at the same time with the directorship in Public Companies not exceeding Ten (10). All the Directors have made necessary disclosures regarding directorship/ committee positions occupied by them in other Listed Entities/Unlisted Public Limited Companies in accordance with Regulations 25 and 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

Corporate Governance Report

The composition and category of the Board of Directors of the Company as on 31st March, 2020 along with the number of Board meetings attended by the Directors during the year 2019-20 are given below:

Name of the Director	Category	No. of Board Meetings attended	No. of Directorship in other Public Limited Companies incorporated in India #	No. of Committee positions held in other Public Limited Companies \$		Whether attended the last AGM
				As Member	As Chairman	
Mr. Suresh Kumar Patni	Promoter/ Executive	5	5	1	-	No
Mr. Ankit Patni	Promoter/Non-Executive	5	5	2	-	Yes
Mr. Satish Kumar Singh	Executive	5	-	-	-	Yes
Mr. Sharat Malik*	Independent/ Non-Executive	3	2	2	1	No
Mrs. Sujata Agarwal	Independent/ Non-Executive	5	2	1	1	No
Mr. Debasish Mukherjee @	Independent/ Non-Executive	3	1	1	-	Yes

Notes:

#Excludes Private Companies, Foreign Companies, One Person Company (OPC) and Companies registered under Section 8 of the Companies Act, 2013.

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

* Mr. Sharat Malik was appointed as an Additional Director of the Company w.e.f 12th August, 2019 and was subsequently regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019.

@Mr. Debasish Mukherjee was appointed as an Additional Director of the Company w.e.f 12th August, 2019 and was subsequently regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019.

- Mr. Nanda Samai and Mr. Aritro Roy, Non-Executive Independent Director was resigned from the Directorship of the Company w.e.f 12th August, 2019. Mr. Nanda Samai was attended Two (2) Board Meetings during the year and Mr. Aritro Roy was not attended any Board Meeting during the year.
- None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company except for holding Directorship & receiving sitting fees, save and except Mr. Ankit Patni who is also the promoter of the Company, which has a business relation with this Company.
- Mr. Ankit Patni is the son of Mr. Suresh Kumar Patni. No other Directors in the Board are related to each other.
- Name of other Listed entities where our Directors hold directorship and their category of directorship

Corporate Governance Report

Sl. No.	Name of the Directors	DIN	Directorship in other listed entities	Category
1.	Mr. Suresh Kumar Patni	00032674	<ul style="list-style-type: none"> Rohit Ferro-Tech Ltd. Ankit Metal & Power Ltd. 	Non-Executive Promoter
2.	Mr. Ankit Patni	00034907	<ul style="list-style-type: none"> Rohit Ferro-Tech Ltd. Ankit Metal & Power Ltd. 	Executive (Managing Director)
3.	Mr. Satish Kumar Singh	05295625	-	-
4.	Mrs. Sujata Agarwal	06833458	<ul style="list-style-type: none"> Rohit Ferro-Tech Ltd. Ankit Metal & Power Ltd. 	Non-Executive Independent Director
5.	Mr. Sharat Malik *	08529458	<ul style="list-style-type: none"> Rohit Ferro-Tech Ltd. Ankit Metal & Power Ltd. 	Non-Executive Independent Director
6.	Mr. Debasish Mukherjee @	08529465	<ul style="list-style-type: none"> Ankit Metal & Power Ltd. 	Non-Executive Independent Director
7.	Mr. Nanda Samai %	02566965	-	-
8.	Mr. Aritro Roy %	08257216	<ul style="list-style-type: none"> Ankit Metal & Power Ltd. 	Non-Executive Independent Director

* Mr. Sharat Malik was appointed as an Additional Director of the Company w.e.f 12th August, 2019 and was regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019.

@ Mr. Debasish Mukherjee was appointed as an Additional Director of the Company w.e.f 12th August, 2019 and was regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019.

% Mr. Aritro Roy and Mr. Nanda Samai, Non-Executive Independent Director of the Company was resigned from the directorship of the Company w.e.f 12th August, 2019.

CORE SKILLS/EXPERTISE/ COMPETENCIES AVAILABLE WITH THE BOARD

Skills and its description	Mr. Suresh Kumar Patni	Mr. Ankit Patni	Mr. Satish Kumar Singh	Mrs. Sujata Agarwal	Mr. Sharat Malik	Mr. Debasish Mukherjee
FINANCE Comprehensive understanding of financial accounting, reporting and controls and analysis	✓		✓			
STRATEGY AND PLANNING Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to take decisions in uncertain environment		✓	✓	✓	✓	✓

Corporate Governance Report

GOVERNANCE Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values		✓		✓	✓	✓
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MEETINGS OF BOARD OF DIRECTORS

Five (5) Board Meetings were held during the year 2019-20 and the gap between two meetings did not exceed One Hundred and Twenty (120) days. The dates on which the Board Meetings were held are as follows:

23rd April, 2019; 27th May, 2019; 12th August, 2019; 14th November, 2019 and 14th February, 2020.

Notes:

- Board Meetings are held at the Corporate Office of the Company. The agenda along with explanatory notes are sent in advance to the Directors to get their input in the discussion. The information as stipulated in Part A of Schedule II of SEBI Listing Regulations, 2015 read with Regulation 17(7) of the said Regulations entered into with Stock Exchanges is regularly made available on the Board whenever applicable.
- The Board periodically reviews compliance report of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

INDEPENDENT DIRECTORS

As on 31st March, 2020, the Company has Three (3) Independent Directors on its Board out of the total strength of Six (6) Directors.

Mr. Sharat Malik and Mr. Debasish Mukherjee was appointed as an Additional Independent Director of the Company w.e.f 12th August, 2019 and was regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019. Mr. Aritro Roy and Mr. Nanda Samai, Independent Directors of the Company was resigned from the Company w.e.f 12th August, 2019.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually they qualify the tests of their being Independent as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. All requisite declarations were placed before the Board.

Meeting of Independent Directors

In compliance with the requirements of Schedule IV of the Companies Act, 2013 read with Regulation 25 of the SEBI Listing Regulations, 2015, a separate meeting of the Independent Directors was held on 16th March, 2020, *inter-alia*, to:

- a) Review the Performance of Non-Independent Directors and the Board of Directors as a whole;
- b) Review the performance of the Chairperson of the Company, taking in account the view of Executive and Non-Executive Directors,

Corporate Governance Report

- c) Assess the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties

All the Independent Directors were present in the meeting.

Familiarisation Program of Independent Directors

The Independent Directors are having adequate experience in the field of finance, industry, commerce and administration. Their presence on the Board has been advantageous to the Board and fruitful in taking business decisions.

Periodic presentations are made by senior management on business and performance updates of the Company, global business environment, business risk and its mitigation strategy. The details of such periodic presentation is disclosed on the Company's website www.impexferrotech.com.

Familiarisation Programmes Policy was uploaded on the Company's website viz. http://www.impexferrotech.com/familiarization_programme_policy.pdf

COMMITTEES OF THE BOARD

Currently, there are Five (5) Board Committees – Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee and Executive Committee. The terms of reference of the Committees are determined by the Board from time to time. The terms of reference, role and composition of these Committees, including the number of meetings held and attended by the members during the financial year are provided below:

AUDIT COMMITTEE

The Company has an Audit Committee within the scope of Section 177 of the Companies Act, 2013 and rules framed thereunder read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee meets atleast Four (4) times in a year and not more than one hundred and twenty days (120) have elapsed between two meetings.

A. Terms of Reference

In accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part-C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **terms of reference** of the Audit Committee *inter alia* includes:

1. To 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. To recommend to the Board, the appointment, re-appointment, terms of appointment, replacement or removal and remuneration of the auditors.
3. To examine the Financial Statements and Auditors' Report thereon.
4. To review, with the management, the quarterly financial statements before submission to the Board for approval.
5. To approve the payment to statutory auditors for any other services rendered by the statutory auditors.
6. To review, with the management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-Section 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management

Corporate Governance Report

- 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.
7. To approve or subsequently modify the transactions of the Company with related parties.
 8. To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 9. To review, with the management and monitor the auditor's independence and performance of statutory and internal auditors, adequacy of the internal control systems and effectiveness of audit process.
 10. To scrutinise inter-corporate loans and investments, if any.
 11. To value undertakings or assets of the Company, wherever it is necessary.
 12. To evaluate the internal financial controls and risk management systems.
 13. To monitor the end use of funds raised through public offers and related matters, if any.
 14. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 15. To discuss with internal auditors any significant findings and follow up there on.
 16. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 17. To call for comments of the auditors about internal control systems, scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
 18. To give an option to the Auditors and the Key Managerial Person of the Company to be heard at the Audit Committee Meeting while considering the Auditors' Report.
 19. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 20. 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.
 21. To approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 22. To establish a Vigil Mechanism for the directors and employees of the Company to report genuine concerns in certain matters. The Mechanism shall provide adequate safeguard against victimisation of persons who use the mechanism. The Chairman of the Audit Committee shall be easily available for the same.
 23. To carry out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.
- B. Composition, Name of Members and Chairperson with designation, Meetings and Attendance during the year**

The Audit Committee comprises of Three (3) Directors all of whom are financially literate. Majority of the members of the Committee are Independent/Non-Executive. The existing Audit Committee was re-constituted on 12th August, 2019.

Corporate Governance Report

The present Composition of the Audit Committee and the details of meetings attended by the Committee members are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	4
Mr. Ankit Patni	Member	Promoter/Non-Executive	4
Mr. Nanda Samai \$	Member	Independent/Non-Executive	1
Mr. Debasish Mukherjee *	Member	Additional Independent / Non-Executive	3

Notes:

\$ Mr. Nanda Samai was resigned from the directorship of the Company w.e.f 12th August, 2019.

* Mr. Debasish Mukherjee was appointed as an Additional Director of the Company and became a member of the Committee w.e.f 12th August, 2019.

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

Mrs. Sujata Agarwal, Chairman of the Audit Committee was not present at the last Annual General Meeting.

During the financial year ended 31st March, 2020, Four(4) Audit Committee Meetings were held on 27th May, 2019; 12th August, 2019; 14th November, 2019 and 14th February, 2020.

Internal Audit

M/s. N. R & Associates, Cost Accountants, Internal Auditors of the Company have carried out the Internal Audit for the financial year 2019-20. The reports and findings of the Internal Auditor are periodically reviewed by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is conducted in compliance of the provisions of Section 178(1) of the Companies Act, 2013 and Rules framed thereunder along with Regulation 19 read with Part-D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The existing Nomination and Remuneration Committee was reconstituted on 12th August, 2019.

During the Financial Year ended 31st March, 2020, Two (2) Nomination and Remuneration Committee Meetings were held on 3rd August, 2019 and 12th August, 2019.

A. Terms of Reference

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

1. To identify person who are qualified to become Directors and who may be appointed in Senior Management as per their criteria.
2. To recommend to the Board the appointment and removal of the Directors and Senior Management.
3. To carry out evaluation of every director's performance.
4. To formulate criteria for determining qualification, positive attributes and independence of a Director
5. Devise a policy on Board diversity.

Corporate Governance Report

6. To recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees.
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To perform such other functions as may be necessary or appropriate for performance of its duties.
9. To recommend to the Board all remuneration in whatever form payable to Senior Management.

B. Composition, Name of Members and Chairperson, Meetings and Attendance during the year

The Nomination and Remuneration Committee comprises of Three (3) Non-Executive Directors. Majority of the members of the Committee are Independent/Non-Executive. Mr. Sharat Malik, Non-Executive Independent Director, is the Chairman of the Nomination and Remuneration Committee.

The present Composition of the Nomination & Remuneration Committee and the details of meetings attended by the Committee members are given below:

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Nanda Samai \$	Chairman	Independent/Non-Executive	1
Mr. Sharat Malik #	Chairman	Independent/Non-Executive	1
Mr. Sujata Agarwal	Member	Independent/Non-Executive	2
Mr. Ankit Patni	Member	Promoter/Non Executive	2

Notes:

\$Mr. Nanda Samai was resigned from the directorship of the Company w.e.f 12th August, 2019.

#Mr. Sharat Malik was appointed as an Additional Director of the Company and became a Chairman of the Committee w.e.f 12th August, 2019.

The present Chairman of the Nomination & Remuneration Committee was not present at the last Annual General Meeting.

C. Nomination and Remuneration Policy

The detailed Nomination and Remuneration Policy is uploaded on the website of the Company i.e. www.impexferrotech.com and also available at the weblink http://www.impexferrotech.com/nomination_remuneration_policy.pdf.

➤ For Non-Executive Directors/ Independent Directors

i. Sitting fees

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committees thereof, provided that the amount of such fees shall not exceed ₹ 1 Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

ii. Commission

No Commission shall be paid.

iii. Stock Options

An Independent Director shall not be entitled to any stock option as per the Companies Act, 2013.

Corporate Governance Report

➤ For Executive Directors/KMP's

i. Fixed pay

a. The Managing Director/Executive Directors/KMP's and Senior Management Personnel shall be eligible for a monthly remuneration and perquisites as may be approved by the Board on the recommendation of the Committee. The statutory and retiral benefits shall be paid as per the applicable laws.

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

ii. Minimum Remuneration

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

iii. Provisions for excess remuneration

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

D. Performance Evaluation

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules framed thereunder along with Schedule IV of the Act and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee and by the Board.

The Chairman and Managing Director is evaluated on key aspects of the role which includes *inter-alia* effective leadership to the Board and adequate guidance to the each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee and individuals were evaluated at satisfaction level. During the year under review, the Independent Directors of the Company reviewed the performance of Non-Independent Directors and Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued whenever required. All the directors are participative, interactive and communicative. The Chairman has abundant knowledge experience, skills and understanding of the Board's functioning processes. The information flow between the Company's Management and the Board is timely and sufficient.

Corporate Governance Report

E. Remuneration of Directors

a. NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors consists of only sitting fees @ ₹ 1,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the equity shares held by them as on 31st March, 2019 are as follows:

Name of the Director	Sitting Fee paid (₹)	No. of Shares held as on 31st March, 2020
Mr. Ankit Patni	18,000	1,75,600
Mr. Nanda Samai *	6,000	Nil
Mr. Sharat Malik@	6,000	Nil
Mr. Aritro Roy *	3,000	Nil
Mrs. Sujata Agarwal	18,000	Nil
Mr. Debasish Mukherjee @	9,000	Nil

@Mr. Sharat Malik and Mr. Debasish Mukherjee was appointed as an Additional Director of the Company w.e.f 12th August, 2019 and was regularized as an Independent Director in the Annual General Meeting held on 25th September, 2019.

\$ Mr. Nanda Samai and Mr. Aritro Roy was resigned from the directorship of the Company w.e.f 12th August, 2019.

b. EXECUTIVE DIRECTORS

The Company has paid remuneration only by way of salary to its Managing Director/Executive Director and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board as well as by the Shareholders of the Company. Details of remuneration paid during 2019-20 are as follows:

Name of the Director and Designation	Salary paid (₹)	Period of Contract		Notice Period	No. of Shares held as on 31st March, 2020
		From	To		
Mr. Suresh Kumar Patni (Managing Director)*	NA	1st July, 2018	30th June, 2023	1 month	4,66,200
Mr. Satish Kumar Singh (Whole Time Director) *	NA	24th August, 2018	23rd August, 2021	1 month	NIL

* Mr. Suresh Kumar Patni, Managing Director and Mr. Satish Kumar Singh, Whole-Time Director was not getting any remuneration from the Company in the financial year 2019-20 as the Company Networth is completely eroded, hence as per the agreement does not fulfill the criteria laid down under the Clause (ii) of second proviso Section II of Part II of Schedule V of Companies Act, 2013.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholders' Relationship Committee was constituted to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, etc. The existing Stakeholders' Relationship Committee was reconstituted on 12th August, 2019.

Corporate Governance Report

A. Terms of Reference

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

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

B. Composition, Name of Members and Chairperson with designation, Meetings and Attendance

The Stakeholders Relationship Committee consists of Three (3) Directors, out of which Two (2) are Independent Directors and One (1) is Executive Director. The Chairman of the Committee is an Independent Director. During the year under review, the Committee met once on 16th March, 2020.

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

Name of the Member	Designation	Category	No. of Meeting Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	1
Mr. Suresh Kumar Patni	Member	Promoter/Executive	1
Mr. Nanda Samai #	Member	Independent/Non-Executive	-
Mr. Debasish Mukherjee *	Member	Additional Independent/Non-Executive	1

Notes:

Mr. Nanda Samai was resigned from the directorship of the Company w.e.f 12th August, 2019.

*Mr. Debasish Mukherjee was appointed as an Additional Director of the Company and became a Member of the Committee w.e.f 12th August, 2019.

The Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting.

C. Name and Designation of Compliance Officer

Mrs. Richa Lath, Company Secretary has been designated as Secretary to the Committee and act as Compliance Officer of the Company. The Committee has delegated the authority to approve the requests for transfers/transmission, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting.

Corporate Governance Report

D. Code of Conduct for Trading by Insider

With a view to regulate in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider and Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information.

E. Investor's Grievances

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 date 3rd June, 2011, the Company has registered itself in a centralized web based SEBI Complaints Redress System named as 'SCORES' for processing investor complaints online and enabling the investors to view the status of any action taken up by the Company on their specific complaints or the current status whereof, by logging on to the SEBI's website www.sebi.gov.in.

No shareholder's complaint was received by the Company as on 31st March, 2020 under 'SCORES'.

The details of the complaints during the year 2019-20, excluding correspondences which are not in the nature of complaints are given below:

Number of complaints received from the shareholders	0
Number of complaints redressed	0
Number of complaints not solved/pending	0

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014 as amended from time to time. The CSR Committee was re-constituted on 12th August, 2019.

A. Terms of Reference

The terms of reference of the Corporate Social Responsibility (CSR) Committee are as follows:

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

B. Composition, Name of Members and Chairperson with designation, Meetings and Attendance

The Corporate Social Responsibility (CSR) Committee consists of Three (3) Directors, out of which One (1) is Independent Director, One (1) is a Non-Executive Director and One (1) is Executive Director. The Chairman of the Committee is an Independent Director. The Company Secretary acts as the Secretary to the Committee and is in attendance at the CSR Committee. During the year under review, the Committee has met once on 16th March, 2020.

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

Corporate Governance Report

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Nanda Samai \$	Chairman	Independent/Non-Executive	-
Mr. Sharat Malik #	Chairman	Additional Independent/Non-Executive	1
Mr. Satish Kumar Singh	Member	Executive	1
Mr. Ankit Patni	Member	Promoter/Non-Executive	1

Notes:

\$ Mr. Nanda Samai was resigned from the directorship of the Company w.e.f 12th August, 2019.

#Mr. Sharat Malik was appointed as an Additional Director of the Company and became a Chairman of the Committee w.e.f 12th August, 2019.

Due to the losses incurred by the Company during the year under review, the obligations of making expenditure on account of CSR do not arise.

EXECUTIVE COMMITTEE

The Executive Committee of the Board of Directors was originally constituted on 14th February, 2015 and reconstituted on 30th September, 2015 with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.

A. Terms of Reference

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

1. To review and follow up on the action taken on the Board decisions.
2. To review the operations of the Company in general.
3. To review the systems followed by the Company.
4. To review, propose and monitor annual budget including additional budget, if any, subject to the ratification of the Board.
5. To review capital expenditure against the budget.
6. To authorize opening and closing of bank accounts; to authorise additions/deletions to the signatories pertaining to banking transactions.
7. To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivative products.
8. To delegate and authorise the Company officials to represent and appear before the various courts, government authorities on behalf of the Company.
9. To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference.
10. To execute Power of Attorney in favour of Company officials to represent and appear before the various courts, government authorities on behalf of the Company.
11. To seek information from any employee as considered necessary.
12. To obtain outside legal professional advice as considered necessary.
13. To secure attendance of outsiders with relevant expertise. and
14. To investigate any activity within terms of reference.

Corporate Governance Report

B. Composition, Name of Members and Chairperson with Designation

The Executive Committee consists of Three (3) Directors, out of which Two (2) is Executive Directors and One (1) is Non-Executive Promoter Director. The Chairman of the Committee is an Executive Director.

The composition of the Committee are given hereunder:

Name of the Member	Designation	Category
Mr. Suresh Kumar Patni	Chairman	Promoter/Executive
Mr. Satish Kumar Singh	Member	Executive
Mr. Ankit Patni	Member	Promoter/Non-Executive

GENERAL BODY MEETING

A. Details of the location and time of the last three Annual General Meeting held

Date	Financial Year	Place	Time
25th September, 2019	2018-19	'ROTARY SADAN', 94/2, Chowringhee Road, Kolkata - 700020	3.00 PM
27th September, 2018	2017-18	'ROTARY SADAN', 94/2, Chowringhee Road, Kolkata - 700020	3.00 PM
21st September, 2017	2016-17	Paschim Banga Bangla Academy, RABINDRA OKAKURA BHAVAN , DD-27/A/1, DD Block, Salt Lake Sector-I, Kolkata- 700 064	3.00 PM

B. Special Resolutions Passed at the last three Annual General Meetings

Financial Year	Items
2018-19	<ul style="list-style-type: none">Re-appointment of Mrs. Sujata Agarwal, Independent Director of the Company for a second term of 5 consecutive years.
2017-18	<ul style="list-style-type: none">Re-appointment of Mr. Suresh Kumar Patni as Managing Director of the CompanyRe-appointment of Mr. Satish Kumar Singh as Executive Director of the Company
2016-17	NIL

- No Extra Ordinary General Meeting (EGM) was held by the Company during the financial year 2019-20.
- No Resolution was passed during the financial year 2018-19 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.
- The Company does not propose to conduct any Special Resolution through postal ballot at the ensuing AGM.

MEANS OF COMMUNICATION

A. Financial Results

In compliance with the requirements of the Listing Agreements/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prior intimation of Board Meeting for consideration and approval of Unaudited/Audited Financial Results of the Company is given to Stock Exchanges where the Company is listed and the same is also uploaded on the website of the Company www.impexferrotech.com. The Results after being approved at the Board Meeting are immediately

Corporate Governance Report

intimated to the Stock Exchanges. In terms of Regulation 10 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company files all the required reports and statements online through the electronic filing platforms of BSE Limited (BSE) viz. BSE Corporate Listing Centre and National Stock Exchange of India Limited (NSE) viz. NSE Electronic Application Processing System (NEAPS).

B. Newspapers

The aforesaid Financial Results are published in English National daily–“**Financial Express**” and in a local vernacular newspaper–“**Ekdin**” widely circulated in the state of West Bengal.

C. Website

The Company’s website www.impexferrotech.com contains a separate Section ‘Investor’s Corner’ which contains details of all the necessary information’s for the stakeholders to enable them to update their know-how about the Company as and when required. . The shareholders/investors can also view the details of the reports and statements uploaded through electronic filing platform by the Company on the websites of BSE Limited i.e. www.bseindia.com and National Stock Exchange of India Limited i.e. www.nseindia.com respectively. The Company has a dedicated e-mail id: cs@impexferrotech.com for providing necessary information to the investors as well as for registering any compliance/grievances.

D. Annual Report

The Annual Report containing, *inter alia*, Audited Financial Statements, Boards; Report, Auditors’ Report and other important information is circulated to members and others entitled thereto. The Management’s Discussion and Analysis (MDA) Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

- i. **Day, Date & Time** : Tuesday, 22nd December, 2020, 3.00P.M.
- ii. **Venue** : AGM through VC/OAVM facility

B. Financial Year

:1st April to 31st March

Financial Calendar (Tentative)

➤ Financial Reporting for 2019-20

- First Quarter* : within 15th September, 2020.
- Second Quarter and Half Yearly * :within45 days from the end of the quarter.
- Third Quarter and Nine Months :within 45 days from the end of the quarter.
- Fourth Quarter and Annual (Audited) :within 60 days from the end of the quarter
Financial Year.

- **Annual General Meeting for the year ending on 31st March, 2021** : On or before 30th September, 2021

C. Dividend Payment Date

: N.A.

Corporate Governance Report

D. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
BSE Ltd. (BSE)	“Phiroze Jeejeebhoy Tower” Dalal Street, Mumbai-400 001	532614
National Stock Exchange of India Ltd. (NSE)	“Exchange Plaza” Bandra– Kurla Complex Bandra (E), Mumbai - 400 051	IMPEXFERRO

The Company has paid the listing fee for the year 2019-20 to both the Stock Exchanges where the shares of the Company are listed.

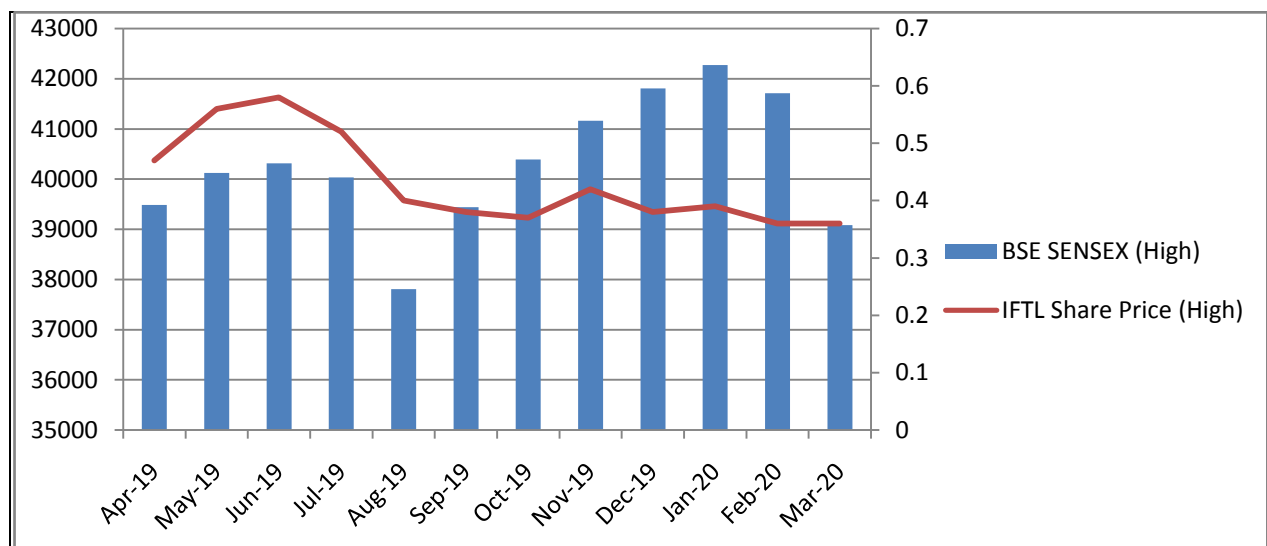
E. Cut-off date : Tuesday, 15th December, 2020

F. Market Price Data

The Stock Market data on BSE & NSE for the last Twelve (12) months are provided herein

Month	National Stock Exchange of India Ltd. (₹)		BSE Ltd. (₹)	
	HIGH	LOW	HIGH	LOW
April, 2019	0.45	0.25	0.47	0.43
May, 2019	0.50	0.35	0.56	0.43
June, 2019	0.55	0.35	0.58	0.54
July, 2019	0.45	0.35	0.52	0.42
August, 2019	0.40	0.25	0.40	0.37
September, 2019	0.40	0.20	0.38	0.35
October, 2019	0.35	0.20	0.37	0.34
November, 2019	0.45	0.25	0.42	0.35
December, 2019	0.50	0.30	0.38	0.37
January, 2019	0.50	0.35	0.39	0.34
February, 2019	0.45	0.30	0.36	0.35
March, 2020	0.35	0.25	0.36	0.36

G. Performance of the Company in comparison with BSE Sensex



H. The International Security Identification Number (ISIN) for NSDL & CDSL:INE691G01015

Corporate Governance Report

I. Registrar and Share Transfer Agent

The Company has availed the services of M/s. Maheshwari Datamatics Pvt. Ltd, 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001 for processing the transfers, transmission etc. and to process the member's request for dematerialization /rematerialisation of shares. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. In compliance with Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we comply with half yearly with a certificate to both the Stock Exchanges duly signed by the Company Secretary and Authorized Representative of the Registrar and Share Transfer Agent that activities relating to both physical and electronic share transfer facility are maintained by the above mentioned Share Transfer Agent who is registered under SEBI.

J. Share Transfer System

The share transfer/transmissions/splits and/or issue of duplicate share certificate requests are processed on behalf of the Company by Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. The transfer of shares process is usually addressed within fifteen days from the date of receipt. The director or the Company officials, i.e. Chief Financial Officer or Company Secretary duly authorized by the Board approves all the transfers made and are noted under subsequent Board Meetings. In compliance with the provisions of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Practicing Company Secretary audits the Share Operation System of the Company maintained at the office of the RTA and provides a certificate in compliance of the same to be uploaded on both the Stock Exchanges NSE & BSE.

K. Distribution of Shareholding as on 31st March, 2020

Range	No. of Shareholders	% of Shareholders	No. of Shares	% of Total
Upto 500	6179	56.30	1328460	1.51
501 to 1000	1841	16.77	1660838	1.89
1001 to 2000	1139	10.37	1913831	2.17
2001 to 3000	454	4.14	1204560	1.37
3001 to 4000	212	1.93	778020	0.88
4001 to 5000	313	2.85	1524730	1.73
5001 to 10000	414	3.77	3223794	3.67
10001 and above	425	3.87	76297371	86.77
Total	10977	100.00	8,79,31,604	100.00

L. Dematerialisation of shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form which is available for trading on both NSDL and CDSL. As on 31st March, 2019, 8,71,74,633 Equity Shares representing 99.14% of the share capital are held in dematerialised form viz., CDSL – 7,10,07,552 Equity Shares and NSDL – 1,61,67,081 Equity Shares.

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

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

Corporate Governance Report

N. Shareholding Pattern as on 31st March, 2020

Category	No. of Shares	% of holding
Promoter & Promoter Group	60,76,4846	69.1047
Bodies Corporate	15,47,194	1.76
Individuals	2,51,14,744	28.56
NBFC's registered with RBI	NIL	NIL
Non-Resident Individuals	1,42,641	0.16
Clearing Member	3,61,679	0.41
Trusts	500	0.00
Total	8,79,31,604	100.00

O. Plant Locations

Kadavita Dendua Road
P.O. Kalyaneshwari, P.S. Kulti
Dist. – Burdwan, West Bengal – 713 369
Phone : +91-341-2522248/49
Fax : +91-341-2522961

P. Name, Designation & Address of Compliance Officer for Complaints & Correspondence

Mrs. Richa Lath

Company Secretary & Compliance Officer
Impex Ferro Tech Limited
SKP House,
132A, S.P. Mukherjee Road,
Kolkata – 700 026
Ph.: +91-33-4016 8000/8100
Fax: +91-33-4016 8191/8107
Email Id: cs@impexferrotech.com

Address for Correspondence

Registered Office:

Impex Ferro Tech Limited
35, C. R. Avenue
Kolkata – 700 012
Phone: +91-33-22110225/0226
Email Id: grievance@impexferrotech.com
CIN: L27101WB1995PLC071996

Corporate Office:

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

OTHER DISCLOSURES

a. Related Party Transactions

The Company obtains Omnibus approval of the Audit Committee for all Related Party Transactions for the financial year 2018-19. During the financial year 2018-19, the Company did not have any materially significant related party transactions, i.e. transactions of the Company of material in nature with its Promoters, Directors or the Management or relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arm's length basis.

Corporate Governance Report

The Board of Directors of the Company adopts a Related Party Transaction policy in compliance with requirements of Section 188 of the Companies Act, 2013 and Rules thereunder along with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Disclosure on Related Party Transactions as per IND-AS 24 forms integral part of the Notes to Financial Statements of the Company for financial year ended 31st March, 2019 as part of the Annual Audited Accounts of the Company.

b. No strictures or penalty were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

c. Vigil Mechanism

In order to strengthen the process of conducting the business in a fair, transparent and ethical manner, the Company has set up a Vigil Mechanism or Whistle Blower Policy. The policy is intended to establish a mechanism for employees to report to the management genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics, for which a dedicated email id cs@impexferrotech.com has been established. The policy is available on the Company's website i.e. www.impexferrotech.com. Mrs. Sujata Agarwal, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. The mechanism provides adequate safeguard against victimization of the persons using this mechanism. No employee was denied access to the Audit Committee.

d. Details of Mandatory and Non-Mandatory Corporate Governance Requirements

The Company has complied with all the quarterly/yearly reports in compliance with Corporate Governance and the same has been submitted to Stock Exchanges where the shares of the Company are listed within prescribed time limit. The Company has complied with all mandatory requirements to the extent applicable to the Company.

e. The Company does not have any Subsidiary.

f. Disclosure of commodity price risks and commodity hedging activities

There are no commodity price risks or commodity hedging activities involved.

g. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

h. Web link of Related Party Transactions Policy

The Related Party Transactions Policy is available on the website of the Company i.e. http://www.impexferrotech.com/related_party_transaction_policy.pdf

i. A Risk Management Policy has been formed by the Company on 30th May, 2015. The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about the business risks, if any occurs, and the steps taken to mitigate the same.

j. Management Discussion & Analysis Report

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

Corporate Governance Report

k. Certificate from practicing Company Secretary:

A certificate from M/s. H. M Choraria & Co., Practicing Company Secretaries 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 Securities and Exchange Board of India (SEBI)/ Ministry of Corporate Affairs (MCA) or any such statutory authority is forming part of Annual Report.

l. Total fees for all services paid to the Statutory Auditors by the Company

Total fees paid by the Company to the Statutory Auditor viz. M/s. R. Kothari & Company LLP, Chartered Accountants, FRN. E300266 for the financial year ended 31st March, 2020 is as follows:

Particulars	Amount in ₹ (Lacs)
Audit Fees (including Tax Audit)	5.15
For Certification and other services	1.72
Total	6.87

m. Accounting Treatment

The Financial Statements of the Company for financial year 2018-19 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rules made thereunder.

n. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the financial year ended 31st March, 2020 is as follows

Number of complaints filed during the financial year under review	NIL
Number of complaints disposed off during the financial year under review	NIL
Number of complaints pending as on end of the financial year	NIL

DISCRETIONARY CORPORATE GOVERNANCE REQUIREMENTS

In terms of Regulation 27(1) of the SEBI(LODR) Regulations, 2015 read with Schedule II of the said Regulation, the disclosure on account of the extent to which the discretionary requirements as specified in Part E of Schedule II are given below:

A. The Board

The Executive Chairman has an office at the Company's premises.

B. Shareholder's Right

The Company does not consider circulating the Half Yearly declaration of financial results separately to each household of the Shareholders.

C. Modified opinion (s) in audit report

The Company's Financial Statements has been accompanied with Auditor's qualification for financial year ended 31st March, 2019.

D. Separate Posts of Chairperson and Chief Executive Officer

The Company has same individual as the Chairman and the Managing Director or Chief Executive Officer of the Company.

Corporate Governance Report

E. Reporting of Internal Auditor

The Internal Auditor of the Company reports all the matters considered to its audit directly to the Audit Committee.

DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2) OF SEBI (LODR) REGULATIONS, 2015

Pursuant to Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) *inter-alia* covering the following subject matter/heads:

- a. Board of Directors
- b. Audit Committee
- c. Nomination and Remuneration Committee
- d. Stakeholders' Relationship Committee
- e. Risk Management Committee : **Not Applicable**
- f. Vigil Mechanism
- g. Related Party Transactions
- h. Corporate Governance requirements with respect to subsidiary of Company : **NA**
- i. Obligations with respect to Independent Directors
- j. Obligations with respect to Directors and senior management
- k. Other Corporate Governance requirements as stipulated under the Regulations
- l. Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).

CODE OF CONDUCT OF DIRECTORS AND SENIOR MANAGEMENT

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

DECLARATION

In accordance with Regulation 26(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board Members and Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2019.

Kolkata, 31st July, 2020

For **Impex Ferro Tech Limited**

Suresh Kumar Patni
Chairman cum Managing Director

CODE OF CONDUCT OF INDEPENDENT DIRECTORS

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

Corporate Governance Report

for Independent Directors of the Company and ensures that all the Independent Directors of the Company follows the same.

CEO/CFO CERTIFICATION

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief, we state that:

- a. (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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- c. we accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to Financial Reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. we have indicated to the Auditors and the Audit Committee
 - i. significant changes in internal control over financial reporting during the year if any.
 - ii. significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the Financial Statements if any and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal Control System over Financial Reporting.

CORPORATE GOVERNANCE COMPLIANCE

The Company has complied with all the mandatory requirements as mandated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for the purpose of ensuring Corporate Governance. A Certificate from the Practicing Company Secretary to this effect has been included in this report.

For and on behalf of the Board
Impex Ferro Tech Limited

Suresh Kumar Patni
Chairman cum Managing Director

Place: Kolkata

Date: 12th November, 2020

Corporate Governance Report

Auditors' Certificate on Corporate Governance

To the members of
Impex Ferro Tech Limited

We have examined the compliance of conditions of Corporate Governance by **Impex Ferro Tech Limited** for the year ended March 31, 2020 as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of schedule V of the SEBI (Listing obligations and disclosures Requirements) 2015 (the Listing Regulations).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement and Listing Regulations.

We state that in respect of Investors' grievances received during the financial year ended on 31st March' 2020, no Investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

For **H M CHORARIA & CO.**
Practising Company Secretaries

Place : Kolkata
Dated: 12th November, 2020

(H M Choraria)
Proprietor
F.C.S. No. 2398, C. P. No. 1499
UDIN:-F002398B001221748

Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Impex Ferro Tech Limited,
35, Chittranjan Avenue,
Kolkata-700 0 12

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Impex Ferro Tech limited having CIN L27101WB1995PLC071996 and having registered office at 35 Chittaranjan Avenue, 4th Floor, Kolkata-700 012 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Suresh Kumar Patni	00032674	07.06.1995
2	Mr. Ankit Patna	00034907	30.09.2015
3	Mr. Satish Kumar Singh	05295625	24.08.2012
4	Mrs. Sujata Agarwal	06833458	08.10.2014
5	Mr. Sharat Mulik	08529458	12.08.2019
6	Mr. Debasish Mukherjee	08529465	12.08.2019

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

Place: Kolkata
Date :12th November, 2020

For H M Choraria & Co
Practicing Company Secretaries

(H M Choraria)
Proprietor
Membership no. FCS-2398, CP. No.1499
UDIN:- F002398B001222023

Independent Auditors' Report

To

THE MEMBERS OF
IMPEX FERRO TECH LIMITED

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of **IMPEX FERRO TECH 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 Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, ***except for the possible effect of the matter described in the basis for qualified opinion section of our report***, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2020, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw your attention to Note No. 36 of the accompanying Financial Statements regarding non provision of interest expense on the borrowings of the Company amounting to ₹ 3670.82 lacs for the year ended 31.03.2020 (Cumulative Non Provisioning of ₹ 13795.93 lacs till 31.03.2020) and penal interest and charges thereof (amount remaining unascertained) which is not in accordance with the requirements of Ind AS 23: Borrowing Costs read with Ind AS 109: Financial Instruments.

Had the aforesaid interest expense been recognized, the finance cost for the year ended 31st March, 2020 would have been ₹ 3673.37 lacs instead of reported amount of ₹ 2.55 lacs. The total expenses for the year ended 31st March, 2020 would have been ₹ 11,623.03 lacs instead of ₹ 7,952.21 lacs. The Net Loss after tax for the year ended 31st March, 2020 would have been ₹ 6,175.63 lacs instead of ₹ 2,504.81 lacs. Total comprehensive Loss for the year ended 31st March, 2020 would have been ₹ 6,185.74 lacs instead of reported amount of ₹ 2,514.92 lacs. Other equity as on 31.03.2020 would have been ₹ (44,486.92 lacs) instead of reported amount of ₹ (30,690.99 lacs) and current financial Liability as on 31st March, 2020 would have been ₹ 28,235.84 lacs instead of reported amount of ₹ 18,439.91 lacs.

The above reported interest has been calculated using Simple Interest rate.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the

Independent Auditors' Report

provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Relating to Going Concern

We draw your attention to Note No. 35 of the financial statements regarding preparation of the financial statements on going concern basis, for the reason mentioned therein. The Company has accumulated losses during the quarter and year ended 31.03.2020. As on date the Company's current liabilities are substantially higher than its current assets and net worth has also been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern is critically dependent upon market scenario, the debt resolution of the Company, the Company's ability to raise requisite finance, generation of cash flows in future to meet its obligation and to earn profit in future. Our opinion is not modified in respect of this matter.

Key audit matters

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

	Key Audit Matter	How our audit addressed the key Audit Matter
	Claim and exposure relating to taxation and litigation	Our audit procedures included the following:
1	<p>The Company has material uncertain tax positions including matters in respect of disputed claims /levies under various taxes and legal matters.</p> <p>The taxes and litigation exposures have been identified as key audit matter due to:</p> <p>i. Litigation cases require significant judgement due to complexity of the case and involvement of various authorities.</p> <p>ii. These involve significant management judgment to determine the possible outcome of the uncertain tax positions.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained understanding of key uncertain tax positions; • We have reviewed and analysed key correspondences relating to dispute; • We have discussed the matter for key uncertain tax positions with appropriate senior management; • We have evaluated management's underlying key assumptions in estimating the tax provisions; and Assessed management's estimate of the possible outcome of the disputed cases;

Emphasis of Matter

- i. We draw your attention to Note No 38 to the financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation,

Independent Auditors' Report

- for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.
- ii. As referred in Note No 40 of the Financial Statements, "Trade Receivables", "Trade payables", "Advances from Customer", "Advances Recoverable In Cash or Kind" and "Advance to Suppliers and Other Parties" etc includes balances remaining outstanding for a substantial period. The balances are subject to confirmation/reconciliation. The reported Financials might have consequential impact which remains unascertained.
 - iii. Statutory dues amounting to ₹ 109.22 lacs has become overdue and remain unpaid. Interest, penalty if any in respect of the same has remained unascertained and unaccounted for.
 - iv. As referred to Note No. 29 of the Financial Statements, no provision has been made in the books in respect of the fire occurred in the Captive Power Plant. The reported financials might have consequential impact which remains unascertained and un provided for.

Our report is not modified in these matters.

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

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Company's Annual Return but does not include the Financial Statements and our Auditor's report thereon.

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

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

Responsibility of the Management for the Financial Statements

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

Independent Auditors' Report

maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of the material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists,

Independent Auditors' Report

we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government Of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that:
 - a) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report, we have sought, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.*
 - b) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.*

Independent Auditors' Report

- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
- d) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) *The matter described in the basis for qualified opinion section of our report, may have adverse effect on the functioning of the company.*
- f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on the financial position in the Financial Statements. Refer Note 28 to its financial statements.
- b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- c) During the year, the company has not transferred any amount to Investor Education and Protection Fund pertaining to unpaid dividend.

For R Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266

CA. Manoj Kumar Sethia
Partner
Membership No.:- 064308
UDIN: 020064308AAAABV9747

Date: 31st July, 2020
Place: Kolkata

“Annexure A” to Independent Auditors’ Report

The Annexure A referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020, we report that:

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
 - (b) The Property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore the reporting under Paragraph 3(iii) is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Ferro alloys & Minerals and Iron & steel pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie, the records have been maintained. We have however not made a detailed examination of the records with a view to determining whether they are accurate and complete.
- (vii)
 - (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has generally delayed in depositing undisputed statutory dues including Provident Fund, Income tax, sales tax, Service Tax, Duty of customs, value added tax, GST, cess and other statutory dues during the year with appropriate authorities.

“Annexure A” to Independent Auditors’ Report

According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable except the following :

Sl. No.	Nature of dues	Amount (Rs. in lakhs)
1	Service Tax	105.41
2	TDS Payable	2.36
3	ESI Payable	1.45
	Total	109.22

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

Name of the Statute	Nature of dues	Financial Year	Amount (Rs. in lakhs)	Forum where dispute is pending
Central Excise Act 1994	Excise Duty	2006-07	12.36	Commissioner of Central Excise (Appeals) (III)
		2008-09	15.55	Cestat, Kolkata Branch
		2015-16	6.05	Excise, Asansol Division
		2016-17	7.96	Excise, Asansol Division
		2012-13-16-17	1778.07	Write Pettition filed and pending under Hon'ble High Court of Calcutta
Total			1,819.99	
Central Sales Tax and Local sales Tax	VAT & CST	2005-06	304.13	WBCT Appellate and Revisional Board
		2006-07	479.91	WBCT Appellate and Revisional Board
		2008-09	748.45	WBCT Appellate and Revisional Board
		2009-10	211.16	Sr.Joint Commissioner of Commercial Taxes,
		2014-15	83.64	Sr.Joint Commissioner of Commercial Taxes,
		2015-16	38.41	Joint Commissioner of Commercial Taxes,
Total			1865.70	
W.B. Entry Tax Act	Entry Tax	2012-13 & 2013-14	504.91	Hon'ble high court of Calcutta
Total			504.91	
Income Tax Act 1961	Income Tax	2010-11	4306.41	Commissioner of Income Tax (Appeals),Kolkata
		2012-13	8,043.52	Commissioner of Income Tax (Appeals),Kolkata
		2015-16	3134.64	Commissioner of Income Tax (Appeals),Kolkata
		2016-17	9.97	Commissioner of Income Tax (Appeals),Kolkata
		2017-18	3410.31	Commissioner of Income Tax (Appeals),Kolkata
Total			18,904.85	

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

“Annexure A” to Independent Auditors’ Report

Amount of default of Principal as on the Balance Sheet Date :						(Rs. Lacs)
Name of Bank	Funded Interest Term Loan	Restructured Term Loan	Working Capital Term Loan	Working Capital Loan	Total	Period of Default
State Bank of India	1,757.95	1,523.89	6,927.99	9,782.43	19,992.26	February, 2016 to March, 2020
Bank of Baroda	250.38	255.00	1,828.00	1,701.67	4,035.05	February, 2016 to March, 2020
Punjab National Bank	243.65	528.00	1,109.00	675.70	2,556.35	February, 2016 to March, 2020
	2,251.98	2,306.89	9,864.99	12,159.80	26,583.66	
Amount of default of interest as on the Balance Sheet Date :						
State Bank of India	908.59	848.56	3,610.25	3,294.31	8,661.70	February, 2016 to March, 2020
Bank of Baroda	137.52	148.27	1,003.37	879.56	2,168.73	February, 2016 to March, 2020
Punjab National Bank	137.20	314.86	624.23	573.84	1,650.13	February, 2016 to March, 2020
Grand Total	1,183.30	1,311.69	5,237.85	4,747.72	12,480.56	

The unprovided interest liability amounting to ₹ 13,795.93 lacs included above is continued to be a default. The company does not have any loans or borrowings from the government and has not issued any Debentures.

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public issue/ follow-on offer (including debt instruments) and term loans.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company and hence not commented upon.

“Annexure A” to Independent Auditors’ Report

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For R Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266

CA. Manoj Kumar Sethia
Partner
Membership No.:- 064308

Date: 31st July, 2020

Place: Kolkata

UDIN: 020064308AAAABV9747

Annexure “B” to the Independent Auditors’ Report

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

We have audited the internal financial controls over financial reporting of **M/s. IMPEX FERRO TECH LIMITED** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Annexure “B” to the Independent Auditors’ Report

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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.

ForR Kothari & Co LLP
Chartered Accountants
FRN: 307069E/E300266

CA. Manoj Kumar Sethia
Partner
Membership No.:- 064308

Date: 31st July, 2020

Place: Kolkata

UDIN: 020064308AAAABV9747

Balance Sheet as at 31st March, 2020

(₹ in Lacs)

PARTICULARS	NOTE	31st March, 2020	31st March, 2019
I ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	4	16,169.59	16,676.13
(b) Intangible Assets	4	1.35	1.35
(c) Financial Assets			
(i) Other Financial Assets	5A	22.04	12.36
(d) Other Non-Current Assets	5B	32.17	34.92
Total Non-Current Assets		16,225.15	16,724.76
(2) CURRENT ASSETS			
(a) Inventories	6	6,237.90	3,259.24
(b) Financial Assets			
(i) Trade Receivables	7	1,096.65	845.35
(ii) Cash And Cash Equivalents	8	15.46	15.12
(iii) Other Financial Assets	9A	-	9.99
(c) Current Tax Assets (Net)	9B	267.95	267.95
(d) Other Current Assets	10	785.24	759.95
Total Current Assets		8,403.20	5,157.60
Total Assets		24,628.35	21,882.36
II EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	8,793.16	8,793.16
Other Equity	11	(30,690.99)	(28,176.06)
		-	-
Total Equity		(21,897.83)	(19,382.90)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	4,608.01	9,774.11
(b) Deferred Government Grant	13	120.22	130.24
(c) Deferred Tax Liabilities/(Assets)	14	-	-
Total Non-Current Liabilities		4,728.23	9,904.35
(2) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	12,168.52	13,382.43
(ii) Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
Total Outstanding Dues of Creditor other than Micro Enterprises and Small Enterprises	16	14,038.80	7,871.14
(iii) Other Financial Liabilities	17A	14,439.94	8,341.04
(b) Other Current Liabilities	17B	911.50	1,456.86
(c) Provisions	18	239.20	309.44
Total Current Liabilities		41,797.96	31,360.91
Total Equity & Liabilities		24,628.35	21,882.36
Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For R KOTHARI & CO LLP
 Chartered Accountants
 FRN: 307069E/E300266

For and on behalf of the Board of Directors
Suresh Kumar Patni
(Managing Director)
Ankit Patni
(Director)
CA Manoj Kumar Sethia
Partner
Richa Agarwal
(Company Secretary)
Sanjeet Kumar Gupta
(Chief Financial Officer)

 Membership No: 064308
 Kolkata, 31st day of July, 2020

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

(₹ in Lacs)

Sl.No.	PARTICULARS	NOTES	31st March, 2020	31st March, 2019
I	INCOME			
	Revenue From Operations	19	5,291.24	9,981.88
II	Other Income	20	156.16	27.97
III	Total Income (I+II)		5,447.40	10,009.85
IV	EXPENSES:			
	Cost of Materials Consumed	21	5,098.32	7,360.62
	Changes in Inventories of Finished Goods and Work in Progress	22	(477.89)	(216.90)
	Purchase of Trading Goods	23	323.40	-
	Employee Benefits Expense	24	116.65	685.59
	Finance Costs	25	2.55	118.70
	Depreciation And Amortization Expense	4	684.05	707.77
	Other Expenses	26	2,205.13	3,028.70
	Total Expenses (IV)		7,952.21	11,684.48
V	Profit/(Loss) before Tax (III-IV)		(2,504.81)	(1,674.63)
VI	Tax Expenses			
	Current Tax		-	-
	MAT Credit entitlement		-	-
	Earlier Years Tax		-	-
	Deferred Tax		-	-
VII	Profit/(Loss) for the Year (V-VI)		(2,504.81)	(1,674.63)
VIII	Other Comprehensive Income			
A.	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gains/(losses) to defined benefit plans		(10.11)	42.04
	(ii) Income taxes on items that will not be reclassified to profit or loss			
B.	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income (Net of Taxes)		(10.11)	42.04
IX	Total Comprehensive Income/(Loss) for the year (VII+VIII)		(2,514.92)	(1,632.60)
	Earning Per Equity Share (Nominal Value of Share - ₹ 10/-)			
X	Basic & Diluted	32	(2.85)	(1.90)
	Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For and on behalf of the Board of Directors

For R KOTHARI & CO LLP
Chartered Accountants
FRN: 307069E/E300266

Suresh Kumar Patni
(Managing Director)

Ankit Patni
(Director)

CA Manoj Kumar Sethia
Partner

Richa Agarwal
(Company Secretary)

Sanjeet Kumar Gupta
(Chief Financial Officer)

Membership No: 064308
Kolkata, 31st day of July, 2020

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

(₹ in Lacs)

	31st March, 2020		31st March, 2019	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-Ordinary Items		(2,504.81)		(1,674.63)
Adjustments for :				
Depreciation	684.05		707.77	
Finance costs	2.55		118.70	
Amortisation of Government Grant	(10.02)		(10.02)	
Provision/(Reversal) for supplement payment on retirement	(10.11)		42.04	
Foreign Exchange Fluctuation Loss/(Gain)	-		(0.67)	
		666.47		857.82
Operating Profit before Working Capital Changes		(1,838.34)		(816.81)
Adjustments for :				
(Increase)/Decrease in Inventories	(2,978.66)		596.05	
(Increase)/Decrease in Trade Receivables	(251.30)		(330.17)	
(Increase)/Decrease in Other Non Current Financial Assets	3.06		19.32	
(Increase)/Decrease in Other Current Assets	(25.29)		(19.11)	
Increase/(Decrease) in Trade Payables	6,267.80		427.76	
Increase/(Decrease) in Other Liabilities	(715.73)		785.97	
		2,299.89		1,479.83
Cash generated from operations		461.55		663.02
Direct Tax Paid		-		-
Foreign Exchange Fluctuation Loss/(Gain)		-		0.67
Net Cash from Operating Activities		461.55		663.69
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(177.51)		(401.06)	
Net Cash used in Investing Activities		(177.51)		(401.06)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Current & Non Current Borrowings	(281.14)		(216.56)	
Repayment of Long Term Borrowings			(2.67)	
Finance Costs	(2.55)		(118.70)	
Net Cash from Financing Activities		(283.69)		(337.93)
				-
Net Increase/(Decrease) in Cash & Cash Equivalents		0.34		(75.30)
Cash & Cash Equivalents at the beginning of the year		15.12		90.42
Cash & Cash Equivalents at the end of the year		15.46		15.12

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind Accounting Standard 7 (Ind AS-7), "Statement of Cash Flows".
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

As per our report of even date

For R KOTHARI & CO LLP

Chartered Accountants

FRN: 307069E/E300266

For and on behalf of the Board of Directors

 Suresh Kumar Patni
 Managing Director

 Ankit Patni
 Director

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Kolkata, 31st day of July, 2020

 Richa Agarwal
 Company Secretary

 Sanjeet Kumar Gupta
 Chief Financial Officer
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Statement of changes in Equity for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Numbers	Amount
Balance as at 1st April, 2018	879.32	8,793.16
Changes in equity share capital during 2018-19	-	-
Balance as at 31st March, 2019	879.32	8,793.16
Changes in equity share capital during 2019-20	-	-
Balance as at 31st March, 2020	879.32	8,793.16

B. OTHER EQUITY

For the year ended 31st March, 2020

Attributable to the owners of the Company

Particulars	Reserve and Surplus				Remeasurement of defined benefit liability	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2019	133.80	5,246.67	-	(33,572.57)	16.04	(28,176.06)
Profit/(Loss) for the year	-	-	-	(2,504.81)		(2,504.81)
Other Comprehensive Income	-	-	-		(10.11)	(10.11)
Total Comprehensive Income	133.80	5,246.67	-	(36,077.38)	5.92	(30,690.99)
Depreciation charge	-	-	-	-	-	-
Balance as at 31st March 2020	133.80	5,246.67	-	(36,077.38)	5.92	(30,690.99)

For the year ended 31st March, 2019

Attributable to the owners of the Company

Particulars	Reserve and Surplus				Remeasurement of defined benefit liability	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2018	133.80	5,246.67	-	(31,897.94)	(26.00)	(26,543.47)
Profit/(Loss) for the year				(1,674.63)		(1,674.63)
Other Comprehensive Income/(Loss)				-	42.04	42.04
Total Comprehensive Income	133.80	5,246.67	-	(33,572.57)	16.04	(28,176.06)
Depreciation charge	-	-	-	-	-	-
Balance as at 31st March, 2019	133.80	5,246.67	-	(33,572.57)	16.04	(28,176.06)

Significant Accounting Policies: Note no. 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For R KOTHARI & CO LLP

Chartered Accountants

FRN: 307069E/E300266

CA Manoj Kumar Sethia

Partner

Membership No: 064308

Place: Kolkata

Date: 31st day of July, 2020

For and on behalf of the Board of Directors

Suresh Kumar Patni

Chairman

Ankit Patni

Director

Richa Agarwal
Company Secretary

Sanjeet Kumar Gupta
Chief Financial Officer

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1 Company Overview

Impex Ferro Tech Ltd, "the Company" is domiciled in India and was incorporated in June, 1995 under the provisions of the Companies Act, 1956. The Company has its registered office situated in Kolkata and manufacturing facility at Kalyaneshwari, Burdwan, West Bengal. The Company is primarily engaged in manufacture of Ferro Alloys (ferro-manganese / silico manganese), trading in iron & steel products. As a part of backward integration, the Company has 30 MW Power Plant.

2 Basis of preparation

a) Statement of Compliance

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

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

b) Functional and presentation currency

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

c) Basis of measurement

The Financial Statements have been prepared on historical cost convention on the accrual basis, except for certain financial assets & Liabilities that are at fair value /amortised cost. (refer note 3(B) below).

d) Use of judgments and estimates

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

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

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

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

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

(ii) Allowances for doubtful debts

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

(iii) Allowances for inventories

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

(vi) Fair value measurement of financial instruments:

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

(v) Defined benefit plans:

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

(vi) Recognition and measurement of provisions and contingencies:

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

e) Measurement of fair values

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

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

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

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

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

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

3 Significant accounting policies

a) Operating Cycle

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

b) Financial instruments

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

i. Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

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

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

Financial assets at amortised cost

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

Financial assets at FVTOCI

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

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

Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

Derecognition

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

ii. Financial liability

Initial recognition and measurement

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

Subsequent measurement

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

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

Financial liabilities through FVTPL

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

Financial liabilities at amortised cost

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

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

Derivative financial instruments and Hedge Accounting

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Notes to and forming part of the Financial Statement as at 31st March, 2020

Derecognition

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

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

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

iii. Offsetting of financial instruments

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

c) Property, plant and equipment

i. Recognition and measurement

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

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

ii. Subsequent expenditure

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

iii. Depreciation and amortisation

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

iv. Intangible Assets and Amortisation

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Computer software is amortised over its estimated useful life of 3 years on a straight line basis. The amortisation period and the amortisation method are reviewed at least at each financial year end, if the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

d) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of finished goods includes excise duty till 30/06/2017. The cost of Work-In-Progress and finished goods includes the cost of labour, material and a proportion of manufacturing overheads.

e) Impairment

i. Impairment of financial instruments: financial assets

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

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

ii. Impairment of non-financial assets

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

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

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

f) Foreign Currency Transactions

(a) Initial Recognition

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

(b) Conversion

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

(c) Exchange Differences

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

g) Government grants

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

h) Employee Benefits

i. Short-term employee benefits

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

ii. Defined contribution plans

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

iii. Defined benefit plans

The Company has an Employees Gratuity Fund managed by the Life Insurance Corporation of India. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Short-Term Compensated Absences are provided for based on estimates.

i) Provisions (other than for employee benefits)

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

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

j) Revenue Recognition

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

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

iii) Export entitlements in the form of Duty Drawback and MEIS scheme are recognised in the Statement of Profit and Loss Account when right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant exports proceeds.

k) Income tax

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

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

l) Research and Development Expenses

Revenue expenditure on Research and Development is charged as an expense through the normal heads of account in the year in which the same is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and is depreciated according to the policies followed by the Company.

Notes to and forming part of the Financial Statements as at 31st March, 2020

m) **Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

n) **Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

o) **Expenditure on new projects & substantial expansion**

Preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction/ implementation, interest on term loans to finance fixed assets and expenditure on start-up of the project are capitalised upto the date of commissioning of project to the cost of the respective assets.

Notes to and forming part of the Financial Statements as at 31st March, 2020

NOTE 4 - PROPERTY, PLANT & EQUIPMENT

Particulars	Tangible Assets							Intangible Assets		
	Freehold land	Leasehold land	Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Others	Total	ERP Software
Gross carrying amount										
Additions	1.26	-	-	105.94	0.05	-	0.58	0.63	108.46	-
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2018	154.41	30.21	3,112.52	15,083.94	10.42	1.38	14.71	16.02	18,423.60	3.41
Additions	-	-	2.56	418.19	-	-	0.23	-	420.99	-
Disposals	-	-	-	19.94	-	-	-	-	19.94	-
As at 31st March, 2019	154.41	30.21	3,115.08	15,482.20	10.42	1.38	14.94	16.02	18,824.65	3.41
Additions	-	-	-	169.96	-	-	7.55	-	177.51	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2020	154.41	30.21	3,115.08	15,652.16	10.42	1.38	22.49	16.02	19,002.16	3.41
Accumulated depreciation										
As at 31st March, 2018	-	0.60	250.02	1,180.38	1.56	1.15	3.65	3.37	1,440.73	2.07
Depreciation for the year	-	0.60	125.52	578.25	0.66	-	1.28	1.45	707.77	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2019	-	-	375.54	1,758.63	2.22	1.15	4.93	4.82	2,148.50	2.07
Depreciation for the year	-	0.60	125.92	554.99	0.60	-	0.97	0.98	684.06	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2020	-	0.60	501.46	2,313.63	2.82	1.15	5.90	5.80	2,832.56	2.07
Net carrying amount										
As at 1st April, 2018	154.41	29.61	2,862.51	13,903.56	8.86	0.23	11.06	12.65	16,982.85	1.35
As at 31st March, 2019	154.41	29.01	2,739.54	13,723.57	8.20	0.23	10.00	11.17	16,676.13	1.35
As at 31st March, 2020	154.41	29.61	2,613.62	13,338.53	7.60	0.23	16.59	10.22	16,169.60	1.35

Note: The management has evaluated and is of opinion that there are no major components of the fixed assets for adopting Component Based Accounting as per 'Ind AS 16'.

NOTE 5A- OTHER FINANCIAL ASSETS	31st March, 2020	31st March, 2019
(Unsecured, Considered good)		
Security Deposits	22.04	12.36
	22.04	12.36
NOTE 5B- OTHER NON CURRENT ASSETS		
(Unsecured, Considered good)		
Capital Advances	32.17	34.92
	32.17	34.92

NOTE 6 - INVENTORIES	31st March, 2020	31st March, 2019
(As taken, valued and certified by the management)		
Raw Materials	4,777.67	2,625.45
Work In Progress	384.58	149.98
Finished Goods	537.98	294.68
Stores & Spares	533.29	182.69
Packing Material	4.39	6.44
	6,237.90	3,259.24

Notes:

- a) For details of Inventory hypothecated as security against secured borrowings refer note no. 12 (IV).
b) Diminution in the Value of Inventories for ₹ 348.65 lakhs.

NOTE 7 - TRADE RECEIVABLES	31st March, 2020	31st March, 2019
(Unsecured)		
Outstanding for a period exceeding six months from the date they became due for payment:		
Considered Good	220.06	154.19
Considered Doubtful	85.07	76.11
	305.13	230.30
Other Debts		
Considered Good	876.59	691.16
Total	1,181.72	921.46
Less: Allowance for expected credit loss	(85.07)	(76.11)
	1,096.65	845.35

Notes:

- a) For details of Book debts hypothecated as security against secured borrowings refer note no. 12 (IV).
b) The company's exposure to credit risk and loss allowance to trade receivables is disclosed in note 43(i).

NOTE 8 - CASH AND CASH EQUIVALENTS	31st March, 2020	31st March, 2019
(A) Cash In Hand (as Certified)	1.65	2.25
(B) Balance With Banks		
In Current Accounts	13.81	12.86
Cash and cash equivalents in the statement of cash flows	15.46	15.12

NOTE 9A - OTHER FINANCIAL ASSETS	31st March, 2020	31st March, 2019
(Unsecured, Considered good, unless otherwise stated)	-	-
Interest/charges Refundable from banks	-	-
Incentives Receivable	-	9.99
	-	9.99
NOTE 9B - CURRENT TAX ASSET (NET)		
Income Tax Payments	74.65	74.65
MAT Credit Entitlement	193.30	193.30
	267.95	267.95

NOTE 10 - OTHER CURRENT ASSETS	31st March, 2020	31st March, 2019
(Unsecured, Considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	357.29	340.15
Balance with Central Excise & CENVAT Receivable	300.93	317.44
VAT Credit Receivable / Refundable	98.52	98.52
Prepaid Expenses	28.50	3.84
	785.24	759.95

NOTE 11 - EQUITY SHARE CAPITAL	31st March, 2020	31st March, 2019
Authorised:		
950.00 Lacs (31.03.2019 : 950.00 Lacs) Equity Shares of ₹10/- each	9,500.00	9,500.00
Issued, Subscribed and Paid-up capital:		
879.32 Lacs (31.03.2019 : 879.32 Lacs) Equity Shares of ₹ 10/- each fully paid up.	8,793.16	8,793.16

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity Shares	31st March, 2020		31st March, 2019	
	No. in Lacs	Amt (₹ in Lacs)	No. in Lacs	Amt (₹ in Lacs)
At the beginning of the year	879.32	8,793.16	879.32	8,793.16
Issued during the year	-	-	-	-
At the end of the year	879.32	8,793.16	879.32	8,793.16

(b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. Company declares and pays dividends in Indian Rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. However, no dividend has been proposed by the Board for the current year.

Failure to pay any amount called up on shares lead to forfeiture of shares. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amount in proportion to the number of equity shares held.

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

Name of Shareholder	31st March, 2020		31st March, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Suanvi Trading & Investment Co. Pvt. Ltd	150.73	17.14	150.73	17.14
Vasupujya Enterprises Pvt. Ltd.	106.00	12.05	106.00	12.05
Poddar Mech-Tech Services Pvt.Ltd	106.34	12.09	106.34	12.09
Invesco Finance Pvt. Ltd.	108.71	12.36	108.71	12.36
Astabhuja Properties Private Limited	63.35	7.20	63.35	7.20

OTHER EQUITY

Below are the other components of other equity:

Components	1st April 2019	Movement during the year	31st March 2020	1st April 2018	Movement during the year	31st March 2019
Capital Reserve	133.80	-	133.80	133.80	-	133.80
Securities Premium	5,246.67	-	5,246.67	5,246.67	-	5,246.67
Retained Earnings	(33,572.57)	(2,504.81)	(36,077.38)	(31,897.94)	(1,674.63)	(33,572.57)
Other Comprehensive Income	16.04	(10.11)	5.92	(26.00)	42.04	16.04
	(28,176.06)	(2,514.92)	(30,690.99)	(26,543.47)	(1,632.60)	(28,176.06)

(a) Capital reserve: Capital reserves consists of Deposits forfeited against share warrants

(b) Securities Premium: Securities premium represents the premium received on issue of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings: It comprise of accumulated profit/ (loss) of the Company.

(₹ in Lacs)

NOTE 12 - LONG-TERM BORROWINGS	Non-Current Portion		Current Maturities	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Secured Loans				
Loan from Banks				
Restructured Term Loans	-	1,573.90	2,306.90	733.00
Funded Interest Term Loans	-	1,189.92	2,251.98	1,614.00
Working Capital Term Loans	-	6,345.29	9,864.99	5,978.00
Loan from Financial Institution				
Rare Assets Reconstruction Ltd.	3,973.01	-	-	-
Loans from Related Party (Refer Note 34)				
From Bodies Corporate (Unsecured)	218.00	218.00	-	-
From Directors & Promoters (Unsecured)	417.00	417.00	-	-
Other Loans & Advances				
From Bodies Corporate (Unsecured)	-	30.00	-	-
	4,608.01	9,774.11	14,423.87	8,325.00
The above amount includes				
Secured Borrowings	-	9,109.11	14,423.87	8,325.00
Unsecured Borrowings	635.00	665.00	-	-
Amount disclosed under the head - "Other Financial Current Liabilities" (Refer Note 17A)	-	-	(14,423.87)	(8,325.00)
Total	635.00	9,774.11	-	-

(A) Details of Security

(i) Rupee Term Loans, Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan (Refer Note 26) are pooled together and secured as under:

- First pari-passu charge on fixed assets by way of equitable mortgage of the land & building / shed along with all movable and immovable plant & machinery and other fixed assets thereon at Kalyaneshwari, Dist: Burdwan, West Bengal.
- First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Kalyaneshwari, Dist: Burdwan, West Bengal
- Collateral Security of equitable mortgage on office space at 35, C. R. Avenue, Kolkata standing in the name of the Company on pari passu basis.

- d) Additional Security of Equitable mortgage of Two Floors at the Corporate office of the group at SKP House, 132A, S.P. Mukherjee Road, Kolkata - 700 026 standing in the name of Marble Arch Properties Pvt Ltd on pari passu basis.
- e) Personal guarantee of Promoters / Director - Mr. Suresh Kumar Patni, Mr. Rohit Patni, & Mr. Ankit Patni.
- f) Further, the restructured facilities has been secured by pledge of promoter & promoter group stake in Company (in Demat Form), representing 69.10% (P.Y 66.71%) of paid up capital of Company. Out of that, 63.35 lac shares were issued during the year ended 31st March, 2016 pursuant to CDR package have been pledged.

(ii) Amount of default of Principal portion as on the Balance Sheet Date :

(₹ in Lacs)

Name of Bank	Funded Interest Term Loan	Restructured Term Loan	Working Capital Term Loan	TOTAL	Period of Default
State Bank of India	1,757.95	1,523.89	6,927.99	10,209.83	February, 2016 to March, 2020
Bank of Baroda	250.38	255.00	1,828.00	2,333.38	February, 2016 to March, 2020
Punjab National Bank	243.65	528.00	1,109.00	1,880.65	February, 2016 to March, 2020
Grand Total	2,251.98	2,306.89	9,864.99	14,423.87	

Note

Various credit facilities availed from United Bank of India (UBI) have been assigned in favour of Rare Asset Reconstruction Ltd. (Refer note. 37) and hence the same has been reclassified as loan from Financial Institution.

(iii) Amount of default of Interest portion as on the Balance Sheet Date :

Name of Bank	Funded Interest Term Loan	Restructured Term Loan	Working Capital Term Loan	TOTAL	Period of Default
State Bank of India	908.59	848.56	3,610.25	5,367.39	February, 2016 to March, 2020
Bank of Baroda	137.52	148.27	1,003.37	1,289.17	February, 2016 to March, 2020
Punjab National Bank	137.20	314.86	624.23	1,076.28	January, 2016 to March, 2020
Grand Total	1,183.30	1,311.68	5,237.85	7,732.83	

Since the SBT has been merged with SBI, SBT's Bank interest default has been merged with SBI.

NOTE 13 - DEFERRED GOVERNMENT GRANT	31st March, 2020	31st March, 2019
Deferred Government Grant	120.22	130.24
	120.22	130.24

NOTE 14 - DEFERRED TAX LIABILITIES/(ASSETS)	31st March, 2020	31st March, 2019
Deferred Tax Liability	2,250.30	3,106.48
Deferred Tax Assets	(11,267.58)	(9,769.21)
Deferred Tax Liabilities/(Assets)	(9,017.28)	(6,662.73)

2019-20

Deferred Tax Liabilities/(Assets) in relation to:	Opening Balance	Changes during the year	Closing Balance
Provision for doubtful debts and advances/ other write off	703.34	(681.22)	22.12
Property, Plant & Equipment	2,403.14	(174.96)	2,228.18
Unabsorbed Depreciation	(7,314.43)	4,502.44	(2,811.99)
Unabsorbed Business Loss	(2,454.78)	(6,000.82)	(8,455.60)
Total	(6,662.73)	(2,354.55)	(9,017.28)

2018-19

Deferred Tax Liabilities/(Assets) in relation to:	Opening Balance	Changes during the year	Closing Balance
Provision for doubtful debts and advances/ other write off	703.34		703.34
Property, Plant & Equipment	2,025.77	377.37	2,403.14
Unabsorbed Depreciation	(2,420.48)	(4,893.95)	(7,314.43)
Unabsorbed Business Loss	(8,687.44)	6,232.66	(2,454.78)
Total	(8,378.81)	1,716.08	(6,662.73)

Net deferred Tax Asset has not been recognised as a mater of prudence, in accordance with IND AS-12 (Income Taxes) issued by the Institute of Chartered Accounts of India

NOTE 15 - BORROWINGS, CURRENT	31st March, 2020	31st March, 2019
Working Capital Loans From Banks (Secured)	12,168.52	13,382.43
Rupee Loans		
	12,168.52	13,382.43

The above working capital amount includes ₹8.71 lacs against 100% Fixed Deposit.

Details of security :

- (a) Pari pasu 1st charge on all movable & immovable assets of the Company, both present & future which is pooled and charges thereon created to secure all the facilities of the Company which will rank pari pasu with the other lenders. All the aforesaid facilities will also be secured by personal guarantee of Mr. Suresh Kumar Patni, Mr. Rohit Patni and Mr. Ankit Patni
- (b) Amount of default of Principal portion on working capital as on balance sheet date :

Particulars	Type	Amount (₹ in lacs)	Period of default
State Bank of India	Cash credit	9782.43	February, 2016 to March, 2020
Bank of Baroda	Cash credit	1701.67	February, 2016 to March, 2020
Punjab National Bank	Cash credit	675.70	January, 2016 to March, 2020
Grand Total		12,159.80	

(c) Working Capital facilities from banks carries interest of 11.05% p.a. (Linked to MI base rate), subject to reset of every year

Period & amount of continuing default in payment of interest

Interest default on working capital

Particulars	Type	Amount (₹ in lacs)	Period of default
State Bank of India	Cash credit	3294.31	February, 2016 to March, 2020
Bank of Baroda	Cash credit	879.56	February, 2016 to March, 2020
Punjab National Bank	Cash credit	573.84	January, 2016 to March, 2020

a) Since the SBT has been merged with SBI, SBT's Bank interest default has been merged with SBI.

(₹ in Lacs)

NOTE 16 - TRADE PAYABLES	31st March, 2020	31st March, 2019
Due to Micro, Small and Medium Enterprises	-	-
Due to others	14,038.80	7,871.14
	14,038.80	7,871.14

a) There are no micro, small and medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

b) The trade payable includes ₹ 4000.82 Lacs (31.03.2019 : ₹ 993.95 Lacs) due to related parties (Refer Note No. 33)

NOTE 17A - OTHER CURRENT FINANCIAL LIABILITIES	31st March, 2020	31st March, 2019
Current Maturities of Long Term Debts (Refer Note No. 12)	14,423.87	8,325.00
Interest accrued and due on Borrowings	16.04	16.04
	14,439.91	8,341.04
NOTE 17B - OTHER CURRENT LIABILITIES		
Advance from Customers	504.93	596.15
Other Payables		
For Statutory Dues	127.24	580.38
For Capital Goods	36.75	270.31
For Employee Benefits	232.56	170.37
Deferred Government Grant-Current	10.02	10.02
	911.50	1,627.24

NOTE 18 - PROVISIONS	31st March, 2020	31st March, 2019
Provision for Expenses	239.20	139.07
	239.20	139.07

For R KOTHARI & CO LLP
Chartered Accountants
FRN: 307069E/E300266

For and on behalf of the Board of Directors

Suresh Kumar Patni
Managing Director

Ankit Patni
Director

CA Manoj Kumar Sethia
Partner
Membership No: 064308
Kolkata, 31st day of July, 2020

Richa Agarwal
Company Secretary

Sanjeet Kumar Gupta
Chief Financial Officer
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Notes to and forming part of the Financial Statements as at 31st March, 2020

(₹ in Lacs)

NOTE 19 - REVENUE FROM OPERATIONS	31st March, 2020	31st March, 2019
Sale Of Products		
Sale of Manufactured Goods	5,045.59	9,582.18
Sale of Raw Materials		
Manganese Ore	96.17	386.65
Coal & Coke	149.48	-
Iron Ore	-	13.05
	5,291.24	9,981.88
NOTE 20 - OTHER INCOME	31st March, 2020	31st March, 2019
Foreign Exchange Fluctuation Gain	-	0.67
Sale of Scrap	0.67	19.02
Other receipts	12.78	-
Quality Claim	-	(1.73)
Sundry Balances Written Back	132.69	-
Government grant -current	10.02	10.02
	156.15	27.98
NOTE 21 - COST OF MATERIALS CONSUMED	31st March, 2020	31st March, 2019
(Including cost of raw material sold)		
Raw materials at the beginning of the year	2,551.05	3,204.94
Add : Purchases	7,238.42	6,706.73
	9,789.48	9,911.67
Less : Raw materials at the end of the year	4,691.16	2,551.05
Cost of Materials Consumed	5,098.32	7,360.62
NOTE 22 - CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS	31st March, 2020	31st March, 2019
Inventories at the beginning of the period		
Finished Goods	294.68	121.48
Work-In-Progress	149.98	106.29
	444.66	227.77
Inventories at the closing end of the period		
Finished Goods	537.98	294.68
Work-In-Progress	384.58	149.98
	922.56	444.66
	(477.89)	(216.90)
NOTE 23 - PURCHASE OF TRADING GOODS	31st March, 2020	31st March, 2019
	323.40	-
	323.40	-
NOTE 24 - EMPLOYEE BENEFITS EXPENSE	31st March, 2020	31st March, 2019
Salaries, wages & bonus	111.89	642.94
Contribution to provident & other Funds	4.77	39.17
Staff Welfare Expenses	-	3.49
	116.65	685.59
NOTE 25 - FINANCE COSTS	31st March, 2020	31st March, 2019
Interest Expense	2.30	97.51
Other Borrowing Costs	0.25	21.19
	2.55	118.70
NOTE 26 - OTHER EXPENSES	31st March, 2020	31st March, 2019
Consumption of Stores and Spare Parts	682.82	551.68
Packing Materials	39.30	38.44
Power [Refer Note (a) below]	1,145.70	1,588.91
Rent	-	6.99
Rates & Taxes	0.59	6.48
Repairs & Maintenance		
- Building	172.11	4.56
- Plant and Machinery	21.11	38.99
- Others	0.08	-
Insurance	11.65	2.87
Manufacturing Expenses	85.01	312.04
Vehicle Hire & Maintenance Charges	7.01	23.15
Directors' Sitting Fees	0.60	0.93
Auditors' Remuneration [Refer Note (b) below]	4.36	9.32
Travelling & Conveyance	0.20	3.29
Sales Commission	-	4.86
CARRIAGE OUTWARD -DOMESTIC	-	0.38
Legal & Professional Charges	9.04	16.89
Security Charges	-	55.26
Miscellaneous Expenses	16.58	19.57
Allowances for expected credit loss	8.97	(21.39)
Sundry Balances Written off	-	365.47
	2,205.13	3,028.70

(₹ in Lacs)

a) Power includes following expenses incurred on the operation of captive power plant:-

	31st March, 2020	31st March, 2019
Cost of Materials Consumed - Coal, Coke and Dolochar		
Inventory at the beginning of the year	74.39	129.96
Add: Purchases during the year	888.81	1,256.95
Less: Transferred to Ferro alloys division/Sales	-	-
Less: Inventory at the end of the year	86.51	74.39
Consumption (Including cost of raw material Sold)	876.69	1,312.51
Consumption of Stores and Spares	195.16	211.98
Repairs & Maintenance		
- Building	56.04	0.24
- Plant and Machinery	6.13	3.58
- Others	10.74	(41.75)
Material Handling Expenses	-	-
Vehicle Hire & Maintenance Charges	0.94	102.36
	1,145.70	1,588.91

	31st March, 2020	31st March, 2019
b) Auditor's Remuneration		
i) To Statutory Auditor		
a) For Audit (including Tax Audit)	2.65	5.15
b) For Certification work & other Services	0.45	1.72
ii) To other Auditors	1.26	2.45
	4.36	9.32

NOTE 27 - CONTINGENT LIABILITIES & COMMITMENTS	31st March, 2020	31st March, 2019
Contingent Liabilities not provided for in the books of accounts in respect of: -		
	As at 31st March, 2020	As at 31st March, 2019
Claims against the Company not acknowledged as debts :		
(a) Government Claims		
(i) Central Excise Act, 1944 (deposits made under protest 31st March, 2020 : Rs. 12.69 lacs, 31st March, 2019 Rs. 12.69 Lacs)	1,819.99	41.92
(ii) Income Tax Act, 1961 (deposits made under protest 31st March, 2020: Nil, 31st March, 2019: Nil)	18,904.85	9,047.51
(iii) Central Sales Tax and Local Sales Tax Act (deposits made under protest 31st March, 2020: 88.43 lacs, 31st March, 2019: Rs. 88.43 lacs)	1,865.71	1,865.71
(iv) W.B Entry Tax Act	504.91	504.91
(b) Other claims		
Legal suit filed against the Company **	2,999.09	2,999.09
c) Right to recompense to CDR lenders for the relief and sacrifice extends amounting to Rs.7782 Lacs (31.03.19- Rs.6252 lacs)	7,782.00	6,252.00

** Several parties including the Company have disputed the basis of levy of Fuel Surcharge in the electric bills of Damodar Valley Corporation (DVC). Pending finalisation of the outcome of the matter, an amount of Rs. 2999.09 lacs (after considering waiver of electricity duty admitted by DVC) has not been provided for by the Company.

NOTE 28

A fire has occurred in the Captive Power Plant damaging turbine, alternator, etc and a surveyor has been appointed by an insurance company to assess the loss. A preliminary repairing estimate of loss is ₹ 525 Lacs. Pending assessment of actual loss, no effect has been given in the reported financials which may have consequential impact. The necessary provisions would be made once the assessment is done and settled by the insurance company or at the year end, whichever is earlier.

NOTE 29

(₹ in Lacs)

DEFINED CONTRIBUTION PLAN	31st March, 2020	31st March, 2019
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:		
Present Value of funded obligation at the end of the year	109.42	87.11
Fair Value of Plan Assets at the end of the year	82.60	82.88

Net Asset /(Liability) recognised in the Balance Sheet

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

Particulars	31st March, 2020	31st March, 2019
(a) Balance at the beginning of the year	87.11	114.77
(b) Current service cost	12.76	15.93
(c) Interest cost	5.79	8.32
(d) Actuarial (gains) / losses recognised in other comprehensive income		
- financial assumptions	10.13	(41.94)
- experience adjustment	-	-
- demographic assumptions	-	-
(e) Past service cost - (vested benefit)	-	-
(f) Benefits paid	(6.37)	(9.97)
Balance at the end of the year	109.42	87.11

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

Particulars	31st March, 2020	31st March, 2019
(a) Balance at the beginning of the year	82.88	86.57
(b) Interest income	6.08	6.18
(c) Remeasurements due to: Actual return on plan asset less interest on plan asset	0.01	0.10
(d) Contributions by the employer	-	-
(e) Actuarial Gain/(loss)	-	-
(f) Benefits paid	(6.37)	(9.97)
Fair Value of Plan Assets at the close of the year	82.60	82.88

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

Particulars	31st March, 2020	31st March, 2019
Present value of defined benefit obligation	109.42	87.11
Fair value of plan assets	82.60	82.88
Net defined benefit obligations in the Balance Sheet	(28.20)	(4.23)

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

Particulars	31st March, 2020	31st March, 2019
Current service cost	12.76	15.93
Interest cost	(0.29)	2.14
Expected return on plan assets	-	-
Actuarial Gain/(loss)	-	-
Amount charged to Statement of Profit and Loss	12.47	18.06

(v) Remeasurements recognised in other comprehensive income

Particulars	31st March, 2020	31st March, 2019
Actuarial loss (gain) arising on defined benefit obligation from	10.13	(41.94)
Actual return on plan asset less interest on plan asset	-0.02	-0.10
Amount recognised in other comprehensive income	10.11	(42.04)

(vi) Sensitivity analysis

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

Particulars	31st March, 2020		31st March, 2019	
	Decrease	Increase	Decrease	Increase
Increase/(Decrease) on present value of defined benefits obligation at the end of the year				
Discount rate (-/+%)				
(% change compared to base due to sensitivity)	119.88	100.52	95.01	80.37
Salary escalation rate (-/+%)				
(% change compared to base due to sensitivity)	100.38	119.72	80.21	95.08

(vii) Maturity

The defined benefit obligations shall mature as follows :

Particulars	31st March, 2020	31st March, 2019
Increase/(Decrease) on present value on defined benefit obligation at the end of the year		
Year 1	25.25	22.94
Year 2	3.06	1.88
Year 3	4.05	2.86
Year 4	3.32	3.66
Year 5	4.47	2.93
Next 5 Years	40.52	35.05

(viii) Broad Categories of Plan Assets as a percentage of Total Assets as at 31.03.2020

Particulars	31st March, 2020	31st March, 2019
Qualifying Insurance Policy	100%	100%

(ix) Actuarial assumptions

Particulars	31st March, 2020	31st March, 2019
a. Discount Rate	6.66%	7.66%
b. Salary Escalation Rate	5.00%	5.00%
c. Mortality Rate (% of IALM 06-08)	100%	100%

Notes to and forming part of the Financial Statements as at 31st March, 2020

NOTE 30 - SEGMENT REPORTING

As the Company's business activity falls within a single significant primary segment i.e, "Ferro Alloys", no separate segment information is disclosed.

NOTE 31 - RELATED PARTY DISCLOSURE

A	Related Parties where control exists :	Nil
B	Related Parties with whom transactions have taken place :	
	a) Key Managerial Personnel	Mr. Suresh Kumar Patni, Managing Director Mr. Satish Kumar Singh, Executive Director Mr. Ankit Patni Non- Executive Director Mrs. Sujata Agarwal, Independent Director Mr. Sharat Malik, Independent Director Mr. Debashish Mukherjee, Independent Director Mr. Sanjeet Kr. Gupta, Chief Financial Officer Mrs. Richa Agarwal, Company Secretary
	(b) Enterprises in which Director is interested	Rohit Ferro-Tech Limited Ankit Metal & Power Limited Impex Metal & Ferro Alloys Limited
	(c) Enterprises owned or significantly influenced by the Key Managerial Personnel or their relatives :	Astabhuj Properties Pvt Ltd.

(ii) Transactions with related parties referred to above, in ordinary course of the business, are as under:

Particulars	31st March, 2020	31st March, 2019
(₹ in Lacs)		
Managerial Remuneration		
Suresh Kumar Patni	12.00	12.00
Satish Kumar Singh	-	12.00
Purchase of Goods		
Ankit Metal & Power Ltd.	3,683.56	-
Rohit Ferro Tech Ltd.	-	44.24
Sales of Finished Goods		
Ankit Metal & Power Limited	1,608.75	-

Particulars	31st March, 2020	31st March, 2019
Purchase of DEPB Licence		
Rohit Ferro-Tech Limited	-	29.25
Sale of DEPB Licence		
Rohit Ferro-Tech Limited	-	12.47

Particulars	31st March, 2020	31st March, 2019
Outstanding Balances as at 31.03.2020		
Managerial Remuneration Payable		
Suresh Kumar Patni	37.26	25.26
Satish Kumar Singh	3.88	-
Trade Payable		
Rohit Ferro-Tech Limited	-	754.83
Ankit Metal & Power Limited	4,000.82	239.11
Unsecured Loan		
Astbhuj Properties Pvt. Ltd.	218.00	218.00
Suresh Kr. Patni	112.00	112.00
Rohit Patni	100.00	100.00
Ankit Patni	205.00	205.00

Transactions with related parties have been disclosed for the period of existence of relationship. Previous year transactions with parties that have ceased to be related parties in the current year have been excluded in above details as the relationship did not exist.

NOTE 32 - EARNINGS PER SHARE

Particulars	31st March, 2020	31st March, 2019
Weighted average number of Equity Shares outstanding during the year (No. in Lacs)	879.32	879.32
Number of Shares Considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share (in Lacs)	879.32	879.32
Profit after Tax attributable to Equity Shareholders (₹ in Lacs)	(2,504.81)	(1,674.63)
Nominal Value of Ordinary Shares (₹)	10.00	10.00
Earnings Per Share (Basic) (₹)	(2.85)	(1.90)
Earnings Per Share (Diluted) (₹) (Refer Note below)	(2.85)	(1.90)

NOTE 33

The Company has incurred loss of ₹ 2,514.92 Lacs for year ended 31st March, 2020. The accumulated loss as on 31st March, 2020 is ₹ 36,071.47 Lacs which is in excess of the entire net worth of the company. With the substantial improvement in raw material availability, improvement in market scenario with notification of Minimum Import Price on steel, it is expected that the overall financial health would improve considerably. Considering the above developments and favourable impact thereof on the Company's operations and financials, the company has prepared the financial results on the basis of Going Concern assumption.

NOTE 34

The lenders have stopped charging interest on debts, since the dues from the Company have been categorised as Non Performing Asset. The company is in active discussion/negotiation with its lenders to restructure its debt at a sustainable level. Pending finalization of the restructuring plan, the Company has not provided accrued interest in its books during the year as the account has been declared NPA by the respective lenders. The amount of interest has been recognised in the books of account to the extent the amount charged/realised by the banks only. The amount of interest not so provided stands at ₹ 3,670.82 lakhs for the year ended 31st March, 2020 and penal interest and charges thereof (amount remaining unascertained) has not been provided for. The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2020 amounted to ₹ 13,795.93 Lacs. The same have consequential impact on the reported figures of this quarter as well as earlier periods.

NOTE 35

The Company has adopted Ind AS 116- "Leases" with effect from 1st April, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019. The adoption of this standard have insignificant impact on the reported financials.

NOTE 36

The COVID-19 pandemic has adversely impacted the economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown to curb the spread of COVID-19. Due to this, the manufacturing operations of the Company along with supply and distribution got temporarily disrupted.

In light of these circumstances, the management has evaluated the impact on the carrying amounts and recoverability of its assets including financial assets, inventory, property plant and equipment, Intangibles etc. as at the balance sheet date, and has concluded that there are no material adjustments required in the financial statements. Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in the preparation of the financial statements upto the date of approval of accounts. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

NOTE 37

Various credit facilities availed from United Bank of India (UBI) have been assigned in favour of Rare Construction Ltd under assignment agreement between UBI and Rare Asset Reconstruction Ltd executed on 29th June, 2019. In absence of information about the terms of assignment, the Company is carrying the various credit facilities as appearing in the books as per the previous terms with UBI.

State Bank of India and Punjab National Bank have filed an application with National Company Law Tribunal, Kolkata Bench (NCLT) for initiating Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code (IBC) and the matter is sub judice. The Company already exited from the CDR mechanism, hence all the long term borrowings except borrowings assigned to Rare Asset Reconstruction Ltd have been treated as current maturities.

NOTE 38

The balance of "Trade Receivables", "Trade payables", "Advances from Customer", "Advances Recoverable In Cash or Kind" and "Advance to Suppliers and Other Parties" includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliations. The Balance with revenue authorities are subject to final assessment order and/or submission of returns. The reported financials might have consequential impact once the confirmations are received and reconciliation if any is made.

NOTE 39

The Company has not made any remittance in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made on behalf of non-resident shareholders.

For R KOTHARI & CO LLP
Chartered Accountants
FRN: 307069E/E300266

CA Manoj Kumar Sethia
Partner
Membership No: 064308
Kolkata, 31st day of July, 2020

For and on behalf of the Board of Directors

Suresh Kumar Patni
Managing Director

Ankit Patni
Director

Richa Agarwal
Company Secretary

Sanjeet Kumar Gupta
Chief Financial Officer

Notes to and forming part of the Financial Statements as at 31st March, 2020

40 Financial instruments and related disclosures

40.1 Fair values vs carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position of 31st March, 2020 are as follows:

(₹ in lacs)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying amount	Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:							
Other Non Current Financial Assets	22.04	-	-	-	-	22.04	22.04
Trade Receivables	1,096.65	-	-	-	-	1,096.65	1,096.65
Cash and Cash Equivalents	15.46	-	-	-	-	15.46	15.46
Other Bank Balances	-	-	-	-	-	-	-
Other Current Financial Assets	-	-	-	-	-	-	-
Financial liabilities:							
Borrowings	16,776.52	-	-	-	-	16,776.52	16,776.52
Trade payables	14,038.80	-	-	-	-	14,038.80	14,038.80
Other current financial liabilities	14,439.91	-	-	-	-	14,439.91	14,439.91

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

Particulars	Amortised cost	Financial assets/liabilities at fair		Financial assets/liabilities at fair value through		Total carrying amount	Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial assets:							
Other Non Current Financial Assets	12.36	-	-	-	-	12.36	12.36
Trade Receivables	845.35	-	-	-	-	845.35	845.35
Cash and Cash Equivalents	15.12	-	-	-	-	15.12	15.12
Other Bank Balances	-	-	-	-	-	-	-
Other Current Financial Assets	9.99	-	-	-	-	9.99	9.99
Financial liabilities:							
Borrowings	23,156.54	-	-	-	-	23,156.54	23,156.54
Trade payables	7,871.14	-	-	-	-	7,871.14	7,871.14
Other current financial liabilities	8,341.04	-	-	-	-	8,341.04	8,341.04

40.2 Fair value measurement

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

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

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

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

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

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31 March, 2020

Particulars	Level 1	Level 2	Level 3	Total
Total financial assets	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31 March, 2019

Particulars	Level 1	Level 2	Level 3	Total
Total financial assets	-	-	-	-
Total financial liabilities	-	-	-	-

The management assessed that trade receivables, cash and cash equivalent, trade payable, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Notes to and forming part of the Financial Statements as at 31st March, 2020

41 Financial risk management

Risk management framework

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

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

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

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

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

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans. In addition, credit risk arises from finance guarantees. Company's credit risk arises principally from the trade receivables and cash & cash equivalents. Customer credit risk is managed centrally by the company through credit approvals establishing credit limits and continuously monitoring the credit worthiness of the customers to whom the credit is extended in the normal course of business. The concentration of credit risk is limited due the fact that the customer base is large and unrelated. The company estimates the Expected Credit Losses on the basis of its evaluation of each case. Provision is being made as per the Company's expected credit loss policy in the manner mentioned below:

Overdue for more than 1 year but not more than 2 years	5%
Overdue for more than 2 years but not more than 4 years	15%
Overdue for more than 4 years	50%

Credit risk from balances with banks are managed in accordance with the Company's policy.

Exposure to credit risks

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of March 31, 2020 and March 31, 2019 are as follows:

Particulars	₹ in lacs	
	31st March, 2020	31st March, 2019
Cash and cash equivalents	15.46	15.12
Other Bank Balances	-	-
Loans and other receivables	357.29	340.15
Trade accounts and notes receivable, net	1,096.65	845.35
Total	1,469.39	1,200.62

The ageing of trade accounts and notes receivable as of 31st March, 2020 & 31st March, 2019 are as follows:

Particulars	31st March, 2020	31st March, 2019
Not Due	-	-
Over due less than 3 month	597.47	431.61
3 months - 12 months	289.47	259.55
Over 12 months	209.70	154.19

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

Movement in impairment loss account is as follows:

Particulars	31 March, 2020	31 March, 2019
Balance at the beginning	76.11	97.50
Impairment loss recognised/reversed	8.96	(21.39)
Amounts written-back	-	-
Balance at the end	85.07	76.11

Notes to and forming part of the Financial Statements as at 31st March, 2020

(ii) Liquidity risk

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

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

Exposure to liquidity risk

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

(₹ in lacs)				
31st March 2020	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	12,168.52	635.00	-	12,803.52
Trade payables	14,038.80	-	-	14,038.80
Other non - current financial liabilities	-	-	-	-
Other current financial liabilities (Including current maturities of borrowings)	14,439.91	-	-	14,439.91

31st March 2019	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	13,382.43	9,774.11	-	23,156.53
Trade payables	7,871.14	-	-	7,871.14
Other non - current financial liabilities	-	-	-	-
Other current financial liabilities (Including current maturities of borrowings)	8,341.04	-	-	8,341.04

(iii) Market risk

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

(a) Currency risk

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

Exposure to currency risk

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

Particulars	In original currency (USD/EURO)	In Rupees
31st March, 2020		
Trade receivables	-	-
Cash and cash equivalents	-	-
Other financial assets	-	-
	-	-
Borrowings (including current maturities of long-term debt)	-	-
Trade payables	-	-
Derivatives	-	-
	-	-
Net exposure in respect of recognised financial assets and liabilities	-	-

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

Notes to and forming part of the Financial Statements as at 31st March, 2020

Sensitivity analysis

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

(₹ in lacs)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2020				
USD (5% Movement)	NIL	NIL	NIL	NIL
31st March 2019				
USD (5% Movement)	NIL	NIL	NIL	NIL

(b) Interest rate risk

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

Exposure to interest rate risk

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

Particulars	31st March, 2020	31st March, 2019
Fixed rate instruments		
Financial assets		
Financial liabilities		
	-	-
Floating rate instruments		
Financial assets		
Financial liabilities	31,200.42	31,481.53
	31,200.42	31,481.53

Sensitivity analysis

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

Cash flow sensitivity analysis for variable rate instruments

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

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2020				
Variable rate instruments	312	(312)	231	(231)
Cash flow sensitivity (net)	312	(312)	231	(231)
31st March, 2019				
Variable rate instruments	315	(315)	216	(216)
Cash flow sensitivity (net)	315	(315)	216	(216)

(c) Equity price risks

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

(d) Hedge accounting

Currency risk-Transactions in foreign currency

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

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

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

In these hedging relationships, the main sources of ineffectiveness are :

- the effect of the counterparty and the Company's own credit risk on the fair value of the forward exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

Interest rate risk

The Company adopts a policy of hedging its certain interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, reprising dates and maturities and the notional of hedging instruments or par amounts of hedged items.

Notes to and forming part of the Financial Statements as at 31st March, 2020

42 Capital Management (Ind AS 1)

The fundamental goals of capital management are to:

- safeguard their ability to continue as a going concern, subject to note no. 30 so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants. The Company applied the same capital risk management strategy that was applied in the previous period.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

Particulars	[₹ in lacs]	
	As at 31st March, 2020	As at 31st March, 2019
Debt (i)	31,200.42	31,481.53
Cash and bank balances	15.46	15.12
Net Debt	31,184.96	31,482.46
Total Equity	(21,897.83)	(19,382.90)
Net debt to equity ratio	(1.42)	(1.62)

i) Debt is defined as Non-Current Borrowings, Current Borrowings and Current Maturities of Non-Current Borrowings.

Notes to and forming part of the Financial Statements as at 31st March, 2020

43 The Company has adopted IND AS 116- "Leases" with effect from 01st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) in the companies (Indian Accounting Standard) Amendment Rules, 2019. The adoption of the standard have insignificant impact on the reported financial for the year ended 31st March, 2020.

44 Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding years are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

As per our report of even date attached
For R KOTHARI & CO LLP
Chartered Accountants
FRN: 307069E/E300266

For and on behalf of the Board of Directors

CA Manoj Kumar Sethia
Partner
Membership No: 064308
Kolkata, 31st day of July, 2020

Suresh Kumar Patni
Managing Director

Ankit Patni
Director

Richa Agarwal
Company Secretary

Sanjeet Kumar Gupta
Chief Financial Officer
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Corporate Information

Board of Directors

Mr. Suresh Kumar Patni
Mr. Satish Kumar Singh
Mr. Ankit Patni
Mrs. Sujata Agarwal
Mr. Debasish Mukherjee
Mr. Sharat Malik

Chairman cum Managing Director
Executive Director
Promoter/Non-Executive Director
Independent/Non-Executive Director
Independent/Non-Executive Director
Independent/Non-Executive Director

Chief Financial Officer

Mr. Sanjeet Kumar Gupta

Company Secretary & Compliance Officer

Mrs. Richa Lath

Statutory Auditor

M/s. R. Kothari & Company, LLP
(erstwhile M/s. R. Kothari & Co.)
Chartered Accountants
16A, Shakespeare Sarani, Kolkata - 700 071

Bankers

State Bank of India
Punjab National Bank

Asset Reconstruction Companies (ARCs)

Rare Asset Reconstruction Ltd. (RARE)

Secretarial Auditor

CS H. M. Choraria
M/s. H. M. Choraria & Co.
Practising Company Secretaries
14/2, Old China Bazar Street 4th Floor,
Room No. 401, Kolkata - 700 001

Registered office

35, C.R. Avenue, 4th Floor,
Kolkata -700 012
Phone: +91 33 2211 0225/0226

Cost Auditors

M/s. A.J.S & Associates
Cost Accountants
65B, S.P. Mukherjee Road
Kolkata- 700 023

Corporate office

SKP House, 132A, S. P. Mukherjee Road,
Kolkata - 700 026
Phone: +91 33 4016 8000/8100
Fax: +91 33 4016 8191/8107
E-mail: info@impexferrotech.com
Website: www.impexferrotech.com

Internal Auditors

M/s. NR & Associates
Cost Accountants
16A, Shakespeare Sarani, 5th Floor
New B.K Market Kolkata-700071

Plant Information

Kadavita Dendua Road
P.O.: Kalyaneshwari, P.S.: Kulti
Dist.: Burdwan West Bengal - 713 369