

Sec/Coat/218

Date: 01.09.2020

The Secretary
BSE Limited
New Trading Wing,
Rotunda Building,
PJ Tower, Dalal Street,
Mumbai- 400001
Scrip Code: 539046

The Manager
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block "G"
5th floor, Bandra Kurla Complex,
Bandra East,
Mumbai- 400051
SYMBOL: MANAKCOAT

Dear Madam/Sir,

Subject: Submission of Notice of the 10th Annual General Meeting of Manaksia Coated Metals & Industries Limited alongwith the Annual Report for the Financial Year ended March 31, 2020

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby enclose the Notice of the 10th Annual General Meeting of Manaksia Coated Metals & Industries India Limited to be held on Thursday, September 24, 2020 at 04:30 P.M. (IST) through Video Conferencing or Other Audio Visual Means and the Annual Report of the Company for Financial Year ended March 31, 2020 respectively.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2020 is being sent only through e-mails to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company viz, www.manaksiacoatedmetals.com

We request you to take the same on record.

Thanking you
Yours Faithfully
For Manaksia Coated Metals & industries Limited

Sailja Gupta



Sailja Gupta
(Company Secretary & Compliance Officer)

Encl: as above



 **Manaksia Coated Metals
& Industries Limited**

Annual Report
2019-20

Corporate Information

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Green Initiative:

As responsible citizens, we would like to do our bit to protect our environment and reduce our carbon footprint. We request you, our valued shareholder, to join us in our endeavor to save the planet by registering your email to receive all communications electronically.

DIRECTORS

Mr. Ajay Kumar Chakraborty - Chairman
DIN: 00133604

Mr. Sushil Kumar Agrawal - Managing Director
DIN: 00091793

Mr. Anirudha Agrawal - Whole-time Director
DIN: 06537905

Mr. Debasis Banerjee - Whole-time Director
DIN: 08164196

Ms. Gargi Singh - Independent Director
DIN: 08458152

Mr. Karan Agrawal - Whole-time Director
DIN: 05348309

Mr. Mahabir Prasad Agrawal - Director
DIN: 00524341

Mr. Siddhartha Shankar Roy - Independent Director
DIN: 08458092

Mr. Sunil Kumar Agrawal - Director
DIN: 00091784

COMPANY SECRETARY

Ms. Sailja Gupta

CHIEF FINANCIAL OFFICER

Mr. Mahendra Kumar Bang

AUDITORS

M/s. S. Bhalotia & Associates

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

Vaishno Chambers, 6 Brabourne Road,
Room No.- 502 & 503, 5th floor, Kolkata-700 001

REGISTERED OFFICE

8/1, Lal Bazar Street

Bikaner Building, 3rd Floor, Kolkata-700 001

BANKERS

State Bank of India

Bank of Baroda

Indian Bank (Erstwhile Allahabad Bank)

HDFC Bank

UCO Bank

AXIS Bank

Punjab National Bank

Bandhan Bank

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 10th (Tenth) Annual General Meeting ('AGM') of the Members of the Manaksia Coated Metals & Industries Limited ('Company') will be held on Thursday, the 24th September, 2020 at 04:30 P.M. (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following businesses:

Ordinary Business(es):

1. To consider and adopt:
 - a. the Annual Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Reports of the Board of Directors' and Auditors' thereon.
 - b. the Annual Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Report of Auditors' thereon.
2. To appoint a Director in place of Mr. Karan Agrawal (DIN: 05348309), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Debasis Banerjee (DIN: 08164196), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Special Business(es):

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Mr. Sushil Kumar Agrawal (DIN: 00091793), as Managing Director of the Company, liable to retire by rotation, for a period of 3 (Three) years from the expiry of his present term of office, i.e., with effect from 23rd November, 2020 on such terms and conditions including remuneration as set out in the Statement annexed to this Notice with liberty to the Board of Directors (hereinafter referred to as "the Board") to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may mutually agreed between the Board and Mr. Sushil Kumar Agrawal provided that such variation or increase as case may be, is within the overall limits as specified under Section 197 and/or Schedule V of the Act.

RESOLVED FURTHER THAT in absence or inadequacy of the profits in any financial year, Mr. Sushil Kumar Agrawal shall be entitled to receive and be paid such remuneration as minimum remuneration as stated in the Explanatory Statement, subject to the necessary approvals/ceilings as specified under Schedule V of the Act.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company, be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Mr. Karan Agrawal (DIN: 05348309), as Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years from the expiry of his present term of office, i.e., with effect from 17th November, 2020 on such terms and conditions including remuneration as set out in the Statement annexed to this Notice with liberty to the Board of Directors (hereinafter referred to as "the Board") to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may mutually agreed between the Board and Mr. Karan Agrawal provided that such variation or increase as case may be, is within the overall limits as specified under Section 197 and/or Schedule V of the Act.

RESOLVED FURTHER THAT in absence or inadequacy of the profits in any financial year, Mr. Karan Agrawal shall be entitled to receive and be paid such remuneration as minimum remuneration as stated in the Explanatory Statement, subject to the necessary approvals/ceilings as specified under Schedule V of the Act.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company, be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of Companies Act, 2013 (the “Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Mr. Debasis Banerjee (DIN: 08164196), as Whole-time Director of the Company, liable to retire by rotation, for a period of 3 (Three) years from the expiry of his present term of office, i.e., with effect from 2nd August, 2021 on such terms and conditions including remuneration as set out in the Statement annexed to this Notice with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may mutually be agreed between the Board and Mr. Debasis Banerjee subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.

RESOLVED FURTHER THAT in absence or inadequacy of the profits in any financial year, Mr. Debasis Banerjee shall be entitled to receive and be paid such remuneration as minimum remuneration as stated in the Explanatory Statement, subject to the necessary approvals/ceilings as specified under Schedule V of the Act.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company, be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the recommendation of the Nomination & Remuneration Committee and Audit Committee and the approval of the Board of Directors, consent of the members of the Company be and is hereby accorded to enhance the prescribed limit of the remuneration payable to Mr. Tushar Agrawal (Vice-President) who is relative of Managing Director & Whole-time Director of the Company, and holding office or place of profit in the Company from 1st June, 2015 be increased from ₹ 2,50,000/- (Rupees Two Lakhs and Fifty Thousand only) per month to ₹ 4,00,000/- (Rupees Four Lakhs Only) per month as set out in the explanatory statement attached hereto which shall be deemed to form part hereof. The terms and conditions of the said enhancement of remuneration, is in line with the policy of the Company.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company, be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 13 and Section 4 and other applicable provisions if any, of the Companies Act, 2013 (“the Act”) and rules made thereunder including any modification(s) or re-enactment(s) thereof for the time being in force and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association (“MOA”) of the Company such that after para 4 of Clause III A, the following new clauses be added to the existing Clause III A of the MOA of the Company and other object clause of MOA of the Company be altered by completely deleting para 11, 26 and 27 Clause III C of MOA and subsequently renumbering the remaining para as 11-25:

5. To carry on the business of manufacturing, buying, selling, porting, Importing, exchanging, altering, improving, manipulating, recovering and dealing in polymers, Resins, Plastics, Adhesive, Moulding Powders, Printing inks, Lacquers, Varnishes, Coatings, Plasticisers, Solvents, Additives, Pigments, Dyes, Colours, Paints, enamels, Distemper, Polishes, Spirits, Bleaches, Whitewasher, Brightener, Launderer, Bleaching Agent, Brightening Agents, and other Chemicals, Components and product of similar nature and also to undertake making of and dealing in plates, Blocks, films, bromidies and other materials and machineries used in the process of all types of printing.
6. To carry on the business of manufacturers, buyers, sellers, dealers, importers and exporters of pesticides, insecticides, fungicides, weedicides and germicides, agro-chemical, Detergent, washing, preparations, Soaps, toileteries, aerosols, freshners, bathing soap, liquid soap, shower gel, shampoo, hand wash and similar products, washing, detergent soap bar or powder and other surfactants and similar products toilet cleaning powder & liquid and surfactants and floor cleaners and such other incidental and allied products.

7. To buy, sell, exchange, improve, maintain and generally deal in real properties and to acquire by purchase or otherwise interests in lands and real property of any tenure, construct houses and buildings thereon, alter, re-build, enlarge and improve existing buildings, factories, lanes, roads, streets, gardens in order to convert the same into profit earning property of the Company; to construct, develop, set up, establish, purchase or otherwise acquire houses, buildings, sheds, godowns, warehouses, cold storages, cinema halls, lodges, hotels, factories, mills, plants, workshops and all other types of immovable properties including any other types of fixtures on land and buildings and to run all or any of these as a business undertaking or to let these out on lease, rent, contract or any other agreement as may be deemed fit; to buy lands, houses, apartments and other immovable properties and to hold, maintain, sell, allot houses, apartments, sheds and other immovables properties or buildings thereof to the shareholders or any other persons and to carry on business of builders, surveyors, architectures, bricks and tiles makers, lime burners houses and estate agents.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and as recommended by the Audit Committee and authorized by the Board of Directors to Managing Director to mutually decide the remuneration with the Cost Auditor, consent of the members be and is hereby accorded for ratification of the remuneration of M/s B. Mukhopadhyay & Co, Cost Accountants, (Firm Registration No. 000257), of ₹ 1,00,000/- for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2021, such remuneration shall exclude out-of-pocket expenses incurred in connection with the audit.

RESOLVED FURTHER THAT any of the Director and/or the Chief Financial Officer/Company Secretary of the Company, be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

Regd. Office:
8/1, Lal Bazar Street,
Bikaner Building, 3rd Floor,
Kolkata - 700 001
Date: 14th August, 2020

By Order of the Board of Directors
For **Manaksia Coated Metals & Industries Limited**

Sailja Gupta
Company Secretary
Membership No. A50063

NOTES:

1. In view of COVID-19 pandemic, social distancing norms and restrictions on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively (collectively referred to as 'MCA Circulars') issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circular, the AGM of the Company is being held through VC/OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. A Statement, pursuant to Section 102(1) of the Act, relating to special business set out under Item Nos. 4 to 9, of the accompanying Notice are annexed hereto. A statement providing additional details of the Directors along

with the brief profile of Directors who are seeking appointment/re-appointment as set out at Item Nos. 2 to 6 of the Notice dated August 14, 2020 are annexed herewith as per Regulation 36 of the Listing Regulations, as amended and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('ICSI').

3. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars and SEBI Circular. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote E-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to **agarwaltodi91@gmail.com** with a copy marked to **evoting@nsdl.co.in** and **investorrelmcmil@manaksia.com**
7. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 17th September, 2020.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 18th September, 2020 to Thursday, the 24th September, 2020 (both days inclusive) for the purpose of Annual General Meeting.
9. SEBI vide its notification dated 8 June 2018, amended the Listing Regulations and mandated that the transfer of securities would be carried out in dematerialised form only, effective from 1 April 2019. This restriction shall not be applicable to the request received for transmission or transposition of physical shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a demat account. A guidance note on dematerialization of shares of the Company is also hosted on the Company's website for ease of understanding of the shareholders and can be viewed at <http://www.manaksiacoatedmetals.com/pdf/Guidance-Note-on-Dematerialisation-of-shares-held-in-physical-form-07082019.pdf>
10. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participants. Members holding shares in physical form can submit their PAN to the Company's Registrar Link Intime India Pvt. Ltd at Room No. 502 & 503, 5th Floor, Vaishno Chamber, 6 Brabourne Road, Kolkata – 700 001.
11. As per the provisions of the Section 72 of the Act the facility for making/varying/cancelling nominations is available to individuals, holding shares in the Company in physical form. Nominations can be made in Form No. SH.13 and any variation/cancellation thereof can be made by giving a notice to the Company in Form No. SH.14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Registrar and Share Transfer Agent/Company.
12. As required by SEBI vide its Circular, the shareholders are requested to furnish a copy of the PAN card to the Company/Registrar and Share Transfer Agent while sending the shares held in physical form for transfer, transmission, transposition and deletion of name of the deceased shareholder(s).
13. Members holding shares in physical form who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Reports, Notices and Circulars etc. from the Company electronically. However, where the shares are held by the members in dematerialized form, the same has to be communicated to his/her Depository Participant for the purpose of receiving any of the aforesaid documents in electronic form.
14. Members are requested to contact the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd for reply to their queries/redressal of complaints, if any, or contact the Company Secretary at the Registered Office of the Company (Phone:+91-33-22435053; Email: **investorrelmcmil@manaksia.com**).

15. Members seeking any information with regard to the Accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act, and relevant documents referred to in the accompanying Notice and in the Statements are requested to write to the Company on or before Monday, September 14, 2020 through email on **investorrelmcmil@manaksia.com**. The same will be replied by the Company suitably.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to **investorrelmcmil@manaksia.com**.
17. Members holding shares in Electronic/Demat form are advised to contact their respective Depository Participants for making/ varying/ cancelling nominations.
18. Attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website **www.manaksiacoatedmetals.com**, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively, and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. **www.evoting.nsdl.com**.
20. **Voting through electronic means:**
 - I. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The remote e-voting period shall commence on Sunday, the 20th September, 2020 (09:00 a.m.) and end on Wednesday, the 23rd September, 2020 (05:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, the 17th September, 2020, may cast their vote by remote e-voting. A person who is not a member as on the cut-off date should treat this notice for information purposes only. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - III. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system during the AGM.
 - IV. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to change or cast their vote again. Where a member casts vote both by remote e-voting and voting at the meeting, the vote casted by way of e-voting shall be considered.
 - V. The process and manner for remote e-voting are as under:

A. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on **www.evoting.nsdl.com**.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **agarwaltodi91@gmail.com** with a copy marked to **evoting@nsdl.co.in**.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on **www.evoting.nsdl.com** to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on toll free no.: 1800-222-990 or send a request at **evoting@nsdl.co.in**

Process for registration of email id for obtaining Annual Report and user id/password for E-voting and updation of bank account:

| | |
|-------------------------|--|
| Physical Holding | <p>Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Pvt Ltd. providing 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) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <p>a) Name and Branch of the Bank, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions. d) 9 digit MICR Code Number, and 11 digit IFSC Code e) A scanned copy of the cancelled cheque bearing the name of the first shareholder.</p> |
| Demat Holding | <p>Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.</p> |

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote E-voting login credentials and selecting the EVEN for Company's AGM.

Members who do not have the User ID and Password for E-voting or have forgotten the User ID and Password may retrieve the same by following the remote E-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the E-voting system of NSDL.

- Facility of joining the AGM through VC/OAVM shall open 30 (thirty) minutes before the time scheduled for the meeting and may close not earlier than 30 minutes after the commencement of the meeting.
- Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 10th AGM without any restriction on account of first-come-first-served principle.
- In case of any query/grievance with respect to Remote E-voting, members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote E-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website or contact Mr. Amit Vishal, Senior Manager/ Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. 022 – 24994360/022 – 24994545 or toll free no. 1800–222–990 or at E-mail ID : evoting@nsdl.co.in
- 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 name, DP ID and Client ID/folio number, PAN, mobile number at investorrelmcmil@manaksia.com from Wednesday, 16th September, 2020 (9:00 A.M. IST) to Friday, 18th September, 2020 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. 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.
- C. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF 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 Members/ shareholders, who will be 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 in the AGM.
 3. Members 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.
 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, the 17th September, 2020. In case of joint holders, only one of the joint holders may cast his vote.
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of Thursday, the 17th September, 2020 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- VIII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, the 17th September, 2020 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or kolkata@linkintime.co.in.
- IX. The Company has appointed M/s. Agarwal Todi & Company, Practicing Chartered Accountants, to act as the Scrutinizer, for providing facility to the members of the Company to scrutinize the remote e-voting and voting at the AGM in a fair and transparent manner.
- X. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote E-voting and make, not later than 48 (forty eight) hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- XI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.manaksiacoatedmetals.com and on the notice board of the Company at its registered office and on the website of NSDL within 48 (Forty Eight) hours of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.
- XII. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their E-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their Email-id. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at www.manaksiacoatedmetals.com.

Regd. Office:
8/1, Lal Bazar Street,
Bikaner Building, 3rd Floor,
Kolkata - 700 001
Date: 14th August, 2020

By Order of the Board of Directors
For **Manaksia Coated Metals & Industries Limited**

Sailja Gupta
Company Secretary
Membership No. A50063

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

As required under Section 102 of the Act the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No. 4, 5, 6, 7, 8 & 9 of the accompanying Notice:

Item No. 4

Mr. Sushil Kumar Agrawal, Managing Director of the Company was appointed w.e.f. 23rd November, 2014 and was subsequently re-appointed for a period of 3 (Three) years with effect from 23rd November, 2017 and the same was approved by the members of the Company at Annual General Meeting held on 22nd September, 2017. Now, looking at the ability, expertise and contribution of Mr. Sushil Kumar Agrawal towards the performance of the Company, the Board of Directors of the Company based on the recommendation of Nomination & Remuneration Committee and the Audit Committee at its Meeting held on 14th August, 2020 has approved the re-appointment of Mr. Sushil Kumar Agrawal as Managing Director of the Company for a period of 3 (Three) years with effect from 23rd November, 2020, subject to the approval of members in the ensuing Annual General Meeting.

The main terms and conditions of appointment of Mr. Sushil Kumar Agrawal as the Managing Director are given below:

1. The Company re-appoints Mr. Sushil Kumar Agrawal as Managing Director of the Company for a period of 3 (Three) years commencing from 23rd November, 2020 on the terms and conditions hereinafter expressed which Mr. Sushil Kumar Agrawal accepts.
2. Mr. Sushil Kumar Agrawal shall unless prevented by ill health and save while on leave, throughout the said term devote the whole of his time, attention and abilities to the business of the Company and in all respects conform to and comply with the directions and regulations made by the Board or any Committee of the Board thereof from time to time.
3. For his services hereunder, Mr. Sushil Kumar Agrawal shall be entitled to receive a remuneration of ₹ 10,50,000/- per month as may be mutually decided between Mr. Sushil Kumar Agrawal and the Board of Directors of the Company. The annual increment will be as decided by the Board of Directors but within the limit not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.
4. Minimum Remuneration: Where in any financial year during the currency of the tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Director, remuneration by way of salary, benefits, perquisites, allowances, etc as minimum remuneration subject to the limits specified in Section II of Part II of Schedule V to the Act.
5. Mr. Sushil Kumar Agrawal shall nor be entitled to any sitting fee for attending meetings of the Board and/or Committees thereof during his tenure. His office shall be liable to determination by retirement of Directors by rotation.
6. The Board may from time to time entrust to Mr. Sushil Kumar Agrawal such of the powers exercisable by it as it thinks fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with restrictions as it may think expedient.
7. Mr. Sushil Kumar Agrawal shall ipso facto and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.
8. Mr. Sushil Kumar Agrawal shall comply with the Company's Code of Conduct and other codes and policies framed by the Company from time to time.
9. The re-appointment may be terminated by either party by giving 3 (Three) months notice of such termination or salary in lieu thereof or by mutual consent.
10. The terms and conditions of re-appointment including remuneration of the Managing Director may be altered and varied from time to time during his tenure of appointment by the Board in such manner as may be mutually agreed,

subject to such approvals as may be required and subject to the same being in accordance and within the limits specified in Schedule V and other applicable provisions of the Act or any statutory modification(s) or re-enactments thereof as may be applicable at the relevant time.

11. If any question shall arise between the parties hereto or between the Company and the Executors or Administrators or heirs of Mr. Sushil Kumar Agrawal as to the interpretation of this Agreement the same shall be referred to a single arbitrator in case the parties agreed upon; otherwise each party shall appoint one arbitrator and the two appointed arbitrators shall appoint the third arbitrator who shall act as the presiding arbitrator. Any award made shall be final and binding on the parties.

The Company has received a Notice in writing under Section 160 of the Act from a Member proposing the candidature Mr. Sushil Kumar Agarwal, as a Managing Director of the Company.

The Board of Directors of your Company recommends the resolution in relation to appointment of Mr. Sushil Kumar Agrawal as Managing Director for the approval by the shareholders of the Company.

Disclosure required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 is set out as the annexure to this Notice.

Pursuant to provisions of Section 102(1) of the Companies Act 2013, the extent of shareholding of Mr. Sushil Kumar Agrawal and his relatives is provided below:

| Name of Director/KMP/Relatives | Extent of shareholding in the Company (%) |
|---------------------------------------|--|
| Sushil Kumar Agrawal | 20.114 |
| Shailaja Agrawal | 0.760 |
| Karan Agrawal | 2.742 |
| Tushar Agrawal | 2.246 |
| Devansh Agrawal | 1.144 |
| Sushil Kumar Agrawal (HUF) | 0.516 |
| Mahabir Prasad Agrawal | 10.720 |
| Kanta Devi Agrawal | 0.736 |
| Mahabir Prasad Agrawal (HUF) | 0.708 |
| Sunil Kumar Agrawal | 18.890 |
| Sunil Kumar Agrawal (HUF) | 0.601 |

Except Mr. Sushil Kumar Agrawal and his relatives, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution set out at Item No. 4 except to the extent of their shareholding.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

Item No. 5

Mr. Karan Agrawal, Whole-time Director of the Company was appointed w.e.f. 17th November, 2014 and was subsequently re-appointed for a period of 3 (Three) years with effect from 17th November, 2017 and the same was approved by the members of the Company at Annual General Meeting held on 22nd September, 2017. Now, looking at the ability, expertise and contribution of Mr. Karan Agrawal towards the performance of the Company, the Board of Directors of the Company based on the recommendation of Nomination & Remuneration Committee and the Audit Committee at its Meeting held on 14th August, 2020 has approved the re-appointment of Mr. Karan Agrawal as Whole-time Director of the Company for a period of 3 (Three) years with effect from 17th November, 2020, subject to the approval of members in the ensuing Annual General Meeting.

The main terms and conditions of appointment of Mr. Karan Agrawal as the Whole-time Director are given below:

1. The Company re-appoints Mr. Karan Agrawal as Whole-time Director of the Company for a period of 3 (Three)

years commencing from 17th November, 2020 on the terms and conditions hereinafter expressed which Mr. Karan Agrawal accepts.

2. Mr. Karan Agrawal shall unless prevented by ill health and save while on leave, throughout the said term devote the whole of his time, attention and abilities to the business of the Company and in all respects conform to and comply with the directions and regulations made by the Board or any Committee of the Board thereof from time to time.
3. For his services hereunder, Mr. Karan Agrawal shall be entitled to receive a remuneration of ₹ 10,00,000/- per month as may be mutually decided between Mr. Karan Agrawal and the Board of Directors of the Company. The annual increment will be as decided by the Board of Directors but within the limit not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.
4. Minimum Remuneration: Where in any financial year during the currency of the tenure as Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay to the Director, remuneration by way of salary, benefits, perquisites, allowances, etc as minimum remuneration subject to the limits specified in Section II of Part II of Schedule V to the Act.
5. Mr. Karan Agrawal shall nor be entitled to any sitting fee for attending meetings of the Board and/or Committees thereof during his tenure. His office shall be liable to determination by retirement of Directors by rotation.
6. The Board may from time to time entrust to Mr. Karan Agrawal such of the powers exercisable by it as it thinks fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with restrictions as it may think expedient.
7. Mr. Karan Agrawal shall ipso facto and immediately cease to be the Whole-time Director if he ceases to hold the office of Director for any cause.
8. Mr. Karan Agrawal shall comply with the Company's Code of Conduct and other codes and policies framed by the Company from time to time.
9. The re-appointment may be terminated by either party by giving 3 (Three) months notice of such termination or salary in lieu thereof or by mutual consent.
10. The terms and conditions of re-appointment including remuneration of the Whole-time Director may be altered and varied from time to time during his tenure of appointment by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and subject to the same being in accordance and within the limits specified in Schedule V and other applicable provisions of the Act or any statutory modification(s) or re-enactments thereof as may be applicable at the relevant time.
11. If any question shall arise between the parties hereto or between the Company and the Executors or Administrators or heirs of Mr. Karan Agrawal as to the interpretation of this Agreement the same shall be referred to a single arbitrator in case the parties agreed upon; otherwise each party shall appoint one arbitrator and the two appointed arbitrators shall appoint the third arbitrator who shall act as the presiding arbitrator. Any award made shall be final and binding on the parties.

The Company has received a Notice in writing under Section 160 of the Act from a Member proposing the Candidature of Mr. Karan Agrawal, as a Managing Director of the Company.

The Board of Directors of your Company recommends the resolution in relation to appointment of Mr. Karan Agrawal as Whole-time Director for the approval by the shareholders of the Company.

Disclosure required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 is set out as the annexure to this Notice.

Pursuant to provisions of Section 102(1) of the Companies Act 2013, the extent of shareholding of Mr. Karan Agrawal and his relatives is provided below:

| Name of Director/KMP/Relatives | Extent of shareholding in the Company (%) |
|---------------------------------------|--|
| Karan Agrawal | 2.742 |
| Sushil Kumar Agrawal | 20.114 |
| Shailaja Agrawal | 0.760 |
| Sushil Kumar Agrawal (HUF) | 0.516 |
| Tushar Agrawal | 2.246 |
| Devansh Agrawal | 1.144 |

Except Mr. Karan Agrawal and his relatives, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution set out at Item No. 5 except to the extent of their shareholding.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

Item No. 6:

Mr. Debasis Banerjee, Whole-time Director of the Company was appointed by the Board of Directors on the recommendation of Nomination & Remuneration Committee w.e.f. 2nd August, 2018 and the same was approved by the members of the Company at Annual General Meeting held on 27th September, 2018. Now, looking at the ability, expertise and contribution of Mr. Debasis Banerjee towards the performance of the Company, the Board of Directors of the Company based on the recommendation of Nomination & Remuneration Committee and the Audit Committee at its Meeting held on 14th August, 2020 has approved the re-appointment of Mr. Debasis Banerjee as Whole-time Director of the Company for a period of 3 (Three) years with effect from 2nd August, 2021, subject to the approval of members in the ensuing Annual General Meeting.

The main terms and conditions of appointment of Mr. Debasis Banerjee as the Whole-time Director are given below:

1. The Company re-appoints Mr. Debasis Banerjee as Whole-time Director of the Company for a period of 3 (Three) years commencing from 2nd August, 2021 on the terms and conditions hereinafter expressed which Mr. Debasis Banerjee accepts.
2. Mr. Debasis Banerjee shall unless prevented by ill health and save while on leave, throughout the said term devote the whole of his time, attention and abilities to the business of the Company and in all respects conform to and comply with the directions and regulations made by the Board or any Committee of the Board thereof from time to time.
3. For his services hereunder, Mr. Debasis Banerjee shall be entitled to receive a remuneration not exceeding ₹ 15,00,000/- anytime during the period of his tenure and as may be mutually decided between Mr. Debasis Banerjee and the Board of Directors of the Company. The annual increment will be as decided by the Board of Directors but within the limit not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.
4. Minimum Remuneration: Where in any financial year during the currency of the tenure as Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay to the Director, remuneration by way of salary, benefits, perquisites, allowances, etc as minimum remuneration subject to the limits specified in Section II of Part II of Schedule V to the Act.
5. Mr. Debasis Banerjee shall nor be entitled to any sitting fee for attending meetings of the Board and/or Committees thereof during his tenure. His office shall be liable to determination by retirement of Directors by rotation.
6. The Board may from time to time entrust to Mr. Debasis Banerjee such of the powers exercisable by it as it thinks fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with restrictions as it may think expedient.

7. Mr. Debasis Banerjee shall ipso facto and immediately cease to be the Whole-time Director if he ceases to hold the office of Director for any cause.
8. Mr. Debasis Banerjee shall comply with the Company's Code of Conduct and other codes and policies framed by the Company from time to time.
9. The re-appointment may be terminated by either party by giving 3 (Three) months notice of such termination or salary in lieu thereof or by mutual consent.
10. The terms and conditions of re-appointment including remuneration of the Whole-time Director may be altered and varied from time to time during his tenure of appointment by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and subject to the same being in accordance and within the limits specified in Schedule V and other applicable provisions of the Act or any statutory modification(s) or re-enactments thereof as may be applicable at the relevant time.
11. If any question shall arise between the parties hereto or between the Company and the Executors or Administrators or heirs of Mr. Debasis Banerjee as to the interpretation of this Agreement the same shall be referred to a single arbitrator in case the parties agreed upon; otherwise each party shall appoint one arbitrator and the two appointed arbitrators shall appoint the third arbitrator who shall act as the presiding arbitrator. Any award made shall be final and binding on the parties.

The Company has received a Notice in writing under Section 160 of the Act from a Member proposing the Candidature of Mr. Debasis Banerjee, as Whole-time Director of the Company.

The Board of Directors of your Company recommends the resolution in relation to appointment of Mr. Debasis Banerjee as Whole-time Director for the approval by the shareholders of the Company.

Disclosure required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 is set out as the annexure to this Notice.

Except Mr. Debasis Banerjee and his relatives, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution set out at Item No. 6 except to the extent of their shareholding.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

Item No. 7

On recommendation of Audit Committee and Nomination & Remuneration Committee and as approved by the Board of Directors of the Company for increase in the remuneration of Mr. Tushar Agrawal (Vice-President), relative of Mr. Sushil Kumar Agrawal, Managing Director & Mr. Karan Agrawal, Whole-time Director of the Company, at their meetings held on 14th August, 2020, in terms of the provisions of Section 177, 188 and other applicable provisions of the Companies Act, 2013 (the 'Act'). Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3)(b) of Companies (Meetings of Board and its Powers) Rules, 2014 as amended, provides that related party's appointment to any office or place of profit in the Company carrying monthly remuneration exceeding ₹ 2,50,000/- shall be subject to approval by the Board of Directors of the Company and the Members of the Company.

Further, fourth proviso to Section 188(1) of the Act prescribes that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis. Although, the above transaction is at arms' length basis and in ordinary course of business for the Company, approval of shareholders is sought by way of Ordinary resolution as a good governance practice.

Given below is a statement of disclosures as required under the Companies (Meetings of Board and its Powers) Rules, 2014:

- a. Name of the related party: Mr. Tushar Agrawal
- b. Name of the director or key managerial personnel who is related, if any: Mr. Sushil Kumar Agrawal & Mr. Karan Agrawal
- c. Nature of relationship: Mr. Tushar Agrawal, is related to Mr. Sushil Kumar Agrawal, Managing Director, as Son and to Mr. Karan Agrawal, Whole-time Director as Brother.
- d. Nature, material terms, monetary value and particulars of the contract or arrangement:
 - Mr. Tushar Agrawal is holding the office or place of profit from 1st June, 2015 and was designated as Vice President with effect from 13th February, 2019. Looking at his experience, knowledge and valuable inputs he provides for the benefit of the Company his remuneration was increased from time to time by the Audit Committee and Board of Directors. His present designation is Vice-President and remuneration payable is ₹ 2,50,000/-per month in line with the Policy of the Company, as may be approved by the Board or any committee thereof as may be authorised by the Board.
- e. Any other information relevant or important for the members to take a decision on the proposed resolution:

Mr. Tushar Agrawal, aged 28 years, has done Bachelor of Science, Finance Major from Bentley University and has done post graduation in Masters of Business Administration from Indian School of Business and having 5 years' working experience in various fields and has been associated with the Company since 2015. He has played a very important role in expansion of the Company and is currently looking after administration and related activities as Vice President. His proposed remuneration with effect from 1st October, 2020 is ₹ 4,00,000/- per month.

The Board of Directors at its meeting held on 14th August, 2020 considered and recommended passing of the resolution at Item No. 7 of this Notice by way of an Ordinary Resolution.

No member of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party, in the manner as prescribed under the applicable laws.

None of the Directors or Key Managerial Personnel or their relatives, other than Mr. Sushil Kumar Agrawal, Managing Director & Mr. Karan Agrawal, Whole-time Director, and his relatives, are deemed to be concerned or interested financially or otherwise, in the resolution set out at Item No. 7 of this Notice.

Item No. 8

In order to diversify the business, the Company proposes to amend its main object clause of the Memorandum of Association ('MOA') and to include activities permitted to be undertaken from time to time, it is proposed to modify the main object clause of the MOA of the Company by inserting paras 5, 6 and 7 in Clause III (A) of MOA and other object clause of MOA of the Company be altered by completely deleting para 11, 26 and 27 Clause III C of MOA and subsequently renumbering the remaining para as 11-25.

To enable the Company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company as stated in the Resolution in the annexed notice. The above amendment would be subject to the approval of the Statutory or Regulatory Authority, as may be necessary.

The Board at its meeting held on 14th August, 2020 has approved (subject to the approval of members) alteration of the MOA of the Company as aforesaid.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 and Section 4 of the Companies Act, 2013.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be considered to be concerned or interested in the proposed Special Resolution.

The Board recommends the Special Resolution set forth in Item No. 8 of the Notice for approval of the Members.

Item No. 9

The Board of Directors on the recommendation of Audit Committee at its meeting held on 23rd June, 2020 has appointed M/s B. Mukhopadhyay & Co, Cost Accountants, (Firm Registration No.000257), as Cost Auditors for the audit of cost records of the Company for the Financial Year ending 31st March, 2021 and has authorized Managing Director to mutually decide the remuneration payable to Cost Auditor. As mutually agreed between the Managing Director and the Cost Auditor remuneration of ₹ 1,00,000/- be payable in addition to reimbursement of out-of-pocket expenses incurred for conducting such audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013, Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), the remuneration payable to the Cost Auditor as approved by the Board of Directors of the Company is required to be ratified subsequently by the members of the Company.

Accordingly, consent of the members is sought by passing an ordinary resolution as set out in Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors as decided for conducting audit of the cost records of the Company for the financial year ending 31st March, 2021.

None of the Directors or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Resolution as set out in Item No. 9 of the Notice for approval by the members by passing an Ordinary Resolution.

In accordance with the requirement of Section II of Part II of Schedule V of the Companies Act, 2013 for item no. 4,5 and 6, a statement providing the required information is given below:

I. General Information:

| | |
|---|--|
| Nature of Industry | Manufacturing |
| Date or expected date of Commercial Production | N.A since the Company has already commenced its business activities. |
| In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | N.A |

Financial Performance:

(₹ in Lacs)

| Particulars | 2019-20 | 2018-19 |
|-------------------------------|----------------|----------------|
| Total Revenue from Operations | 24585.02 | 25448.41 |
| Profit Before Tax | 288.35 | 279.76 |
| Profit After Tax | 487.89 | 27.12 |

Foreign Investments or collaborations, if any – There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors (FII) and NRI (Rep. & Non-Rep.) acquired through secondary market. There is no foreign collaboration in the Company.

II. Information about the appointees:

All the required information about the appointees have been provided in the table Details of Directors seeking appointment/re-appointment at the AGM which forms part of this notice.

III. Other information:**(1) Reasons of inadequate profits**

The Company has earned a nominal profit during the year under. In the Financial Year ended 31st March, 2020, the Company made Profit after Tax of ₹ 487.89 Lakhs as compared to ₹ 27.12 Lakhs for the FY 2018-19.

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

(2) Steps taken or proposed to be taken for improvement:

A diversified product portfolio and considerably wide geographical reach, both domestic and international will help the Company to significantly de-risk its business. The Company is focused on enhancing value added products. The Company is further making strategic changes which would result in further cost reduction and thereby contributing to the profitability in the years to come.

(3) Expected increase in productivity and profits in measurable terms:

The steps taken/proposed to be taken for improvement are expected to make a positive impact on growing revenue and containing costs. This is expected to improve the performance and the profitability of the Company in coming years.

IV. Disclosures:

Disclosures pursuant to Schedule V of the Act is contained in the explanatory statement to the respective resolution and also in the Corporate Governance Report which is annexed to the Directors' Report for the Financial Year 2019-20.

Regd. Office:
8/1, Lal Bazar Street,
Bikaner Building, 3rd Floor,
Kolkata - 700 001
Date: 14th August, 2020

By Order of the Board of Directors
For **Manaksia Coated Metals & Industries Limited**

Sailja Gupta
Company Secretary
Membership No. A50063

**PURSUANT TO SECTION 164(2) OF THE COMPANIES ACT, 2013, REGULATION 36(3) OF
THE LISTING REGULATIONS AND SECRETARIAL STANDARD-2
THE BRIEF PARTICULARS OF THE DIRECTORS TO BE APPOINTED/RE-APPOINTED ARE AS FOLLOWS:**

Annexure

| Name of the Director | Sushil Kumar Agrawal | Karan Agrawal | Debasis Banerjee |
|---|--|---|--|
| Director Identification Number | 00091793 | 05348309 | 08164196 |
| Date of Birth/ Age | 17.11.1960 60 years | 27.10.1986 34 years | 01.05.1965 55 years |
| Date of first Appointment on the Board | 10.01.2013 | 17.11.2014 | 02.08.2018 |
| Qualifications | Commerce Graduate | Commerce Graduate and Diploma holder in Management from IIM, Bangalore | Science Graduate from Calcutta University and Diploma holder in Computer Science from Datamatics Corporation Certified Sales and Marketing Professional. |
| Terms and conditions of appointment or re-appointment | Provided in the Explanatory Statement of item no. 4 in the Notice | Provided in the Explanatory Statement of item no. 5 in the Notice | Provided in the Explanatory Statement of item no. 6 in the Notice |
| Recognition & Rewards | - | - | - |
| Details of remuneration sought to be paid | ₹ 126.00 Lacs per annum | ₹ 120.00 Lacs per annum | Not Exceeding ₹ 15.00 Lacs per annum |
| Last Remuneration Drawn | ₹ 126.00 Lacs per annum | ₹ 120.00 Lacs per annum | ₹ 9.50 Lacs per annum |
| Experience (including expertise in specific functional area) / Brief Resume | Wide experience and knowledge in overall business management, manufacturing and factory administration. He also has expertise in household insecticides and coated metals operations of the Company. | Wide Experience and knowledge in overall business management and marketing of Coated metals products. | Expertise in FMCG and manufacturing sector. Held various leadership position in the field of sales, Marketing, Supply Chain, Quality Labour Relations and Logistics Management. He is specialised in the area of Plastic Moulding, FMCG Filling, Mosquito Coil Manufacturing and Sales & Distribution. |
| Directorship held in other Companies including Foreign Companies excluding alternate directorship | 1. Athena Minerals and Steel Pvt. Ltd. 2. Manaksia Cements Pvt. Ltd. 3. Purushottam Barter Pvt. Ltd. 4. SSM Advance Materials Pvt. Ltd. 5. SSQ Exports Pvt. Ltd. 6. JPA Snacks Private Limited 7. Geometry Trade Finance Private Limited | 1. Manaksia Cements Private Limited 2. ADEL Shipping & Logistics Limited 3. ADEL Shipping Holdings Limited 4. Manaksia International FZE | None |
| Membership/ Chairmanship of the Committee of other Public Companies | None | None | None |
| Membership/Chairmanship of the Committee of the Board of Directors of the Company | 1. Member of Audit Committee 2. Member of Stakeholders Relationship Committee 3. Member of Committee of Directors | None | None |
| Comparative remuneration profile, profile of the position and person | The remuneration proposed to be paid to him is fully justifiable and comparable to that prevailing in the industry. | The remuneration proposed to be paid to him is fully justifiable and comparable to that prevailing in the industry. | The remuneration proposed to be paid to him is fully justifiable and comparable to that prevailing in the industry. |
| Number of Shares Held in the Company | 1,31,81,230 | 17,97,185 | NIL |
| Relationship with other Directors and other Key Managerial Personnels of the Company | Mr. Mahabir Prasad Agrawal - Father Mr. Sunil Kumar Agrawal - Brother Mr. Karan Agrawal- Son | Mr. Sushil Kumar Agrawal - Father | NIL |
| Number of Board meetings Attended during the year | 4 | 3 | 3 |



DIRECTORS' REPORT FY 2019-20

Dear Shareholders,

Your Directors are pleased to present the 10th (Tenth) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS:

(₹ in Lacs)

| Particulars | Standalone | | Consolidated | |
|---|-----------------|----------|-----------------|----------|
| | 2019-20 | 2018-19 | 2019-20 | 2018-19 |
| Revenue from Operations | 24585.02 | 25104.11 | 24692.65 | 26450.91 |
| Profit Before Tax | 288.35 | 279.76 | 79.91 | 211.31 |
| Add/(Less): Tax Expenses | | | | |
| Current Tax | - | 69.00 | - | 69.00 |
| Deferred Tax Liability/(Asset) | (240.65) | 183.65 | (240.65) | 183.65 |
| Tax for earlier year | 41.11 | - | 41.11 | - |
| Total Tax Expenses | (199.54) | 252.65 | (199.54) | 252.65 |
| Profit After Tax | 487.89 | 27.12 | 279.45 | (41.34) |
| Other Comprehensive Income | 2.63 | 1.48 | 122.27 | 69.94 |
| Total Comprehensive Income for the year | 490.52 | 28.59 | 401.72 | 28.60 |
| Balance brought forward from previous year | 388.97 | 361.85 | 242.52 | 299.33 |
| Surplus/(Deficit) carried to Balance Sheet | 876.86 | 388.97 | 521.97 | 242.52 |

More details on the financial statements of the Company along with other relevant information and financial ratios have been presented under the Management Discussion & Analysis section of this Annual Report.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms part of the Annual Report.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND

To conserve the resources of the Company for future growth and business diversification, the Board of Directors have not recommended any dividend for the Financial Year 2019-20.

TRANSFER TO RESERVES

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

CAPITAL & DEBT STRUCTURE

The paid-up Equity Share Capital of the Company as at 31st March, 2020 stood at ₹ 655.34 lacs divided into 65534050 equity shares of Re. 1 each.

A) Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2019-20.

B) Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2019-20.

C) Issue of employee stock options

The Company did not issue employee stock options during the financial year 2019-20.

D) Provisions of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

E) Issue of Debentures, Bonds, Warrants or any non-convertible securities

The Company did not issue Debentures, Bonds, Warrants or Non-convertible securities during the financial year 2019-20.

DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT

Details of shares held in the demat suspense account as required under Regulation 39(4) read with Para F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') forms part of the Corporate Governance Report.

OPERATIONS AND BUSINESS PERFORMANCE

The details of operation and business performance of the Company has been elaborated in the 'Management Discussion and Analysis Report', forming part of this Annual Report.

DETAILS PERTAINING TO CREDIT RATINGS

Details of credit rating as required under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations forms part of the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as stipulated under Regulation 34(2) read with Para B of Schedule V of the Listing Regulations on the operations of the Company, as required under the Listing Regulations is provided in a separate section and forms an integral part of this Annual Report.

DETAILS UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS 'ACT') IN RESPECT OF ANY SCHEME OF PROVISIONS OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES

No such instance took place during the year under review.

DETAILS RELATING TO MATERIAL VARIATIONS

The Company has not issued any prospectus or letter of offer during the last five years and as such the requirement for providing the details relating to material variation is not applicable upon the company for the year under review.

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

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year 2019-20 and the date of this report. However, the impact on the financial

performance of the Company caused due to the outbreak of COVID-19 virus pandemic is mentioned separately in the notes to the financial results of the Company and Disclosure of Material Impact Of COVID-19 Pandemic as disclosed under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is also published on the website of the Company under the given weblink: http://www.manaksiacoatedmetals.com/upload/media/july_20/DisclosureofImpactofCOVID19PandemicMCMIL.pdf

OUTBREAK OF COVID-19 PANDEMIC

Towards the end of the financial year, the World Health Organisation (WHO) declared COVID-19 a pandemic. COVID-19 is seen having an unprecedented impact on people and economies worldwide. The outbreak of COVID-19 pandemic had a moderate to high impact on the businesses of the Company. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. It is focused on safety of employees and other stakeholders, controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facilities operate smoothly.

All the plants/offices/project sites were temporarily shut down during late March, 2020 and were partially re-opened at some locations in the last week of April, 2020 after obtaining requisite government approvals. During this lockdown period the Company implemented Work From Home (WFH) policy for all the employees. The Company observed all the government advisories and guidelines thoroughly in letter and spirit.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on 31st March, 2020 in the prescribed Form MGT-9, pursuant to Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 forms part of this Directors' Report and marked as **Annexure- 'A'**. The extract is also available under the Investors section on the website of the Company at www.manaksiacoatedmetals.com

CORPORATE GOVERNANCE REPORT

The Company follows the corporate governance guidelines and best practices sincerely, and discloses timely and accurate information regarding the operations and performance of the Company.

Pursuant to Regulation 34 read with Para C of Schedule V of the Listing Regulations, Report on the Corporate Governance along with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of the Corporate Governance is annexed as **Annexure-'B'**.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

4 (Four) meetings of the Board of Directors were held during the Financial Year 2019-20. The details of the meetings of the Board of Directors of the Company convened during the Financial Year 2019-20 are given in the Corporate Governance Report which forms part of this Annual Report.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has issued Secretarial Standards and all the Secretarial Standards have been approved by the Central Government under Section 118(10) of the Act. Pursuant to the provisions of Section 118(10) of the Act, it is mandatory for the company to observe the secretarial standards with respect to Board Meeting and General Meeting. The Company has adopted and followed the set of principles prescribed in the respective Secretarial Standards for convening and conducting Meetings of Board of Directors, General Meeting and matters related thereto. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Directors of the Company state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable Accounting Standards had been followed along with proper explanations relating to material departures, if any;

- b) the Directors had adopted such accounting policies and applied them consistently and made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2019-20 and of the loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts had been prepared on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Mr. Ajay Kumar Chakraborty (DIN: 00133604), Mr. Siddhartha Shankar Roy (DIN: 08458092) and Ms. Gargi Singh (DIN: 08458152) are Independent Directors on the Board of the Company as on 31st March, 2020.

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Act, read with the Schedules and Rules issued thereunder, as well as clause (b) of sub-regulation (1) of Regulation 16 and sub-regulation (8) of Regulation 25 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Board of Directors of the Company has reviewed the disclosures of independence submitted by the Independent Directors and is of the opinion that the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. Further the Independent Directors have also complied with Code of Conduct for Directors and Senior Management Personnel formulated by the Company.

COMPLIANCE WITH THE CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

All directors and senior management have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management. A declaration to that effect is attached with the Corporate Governance Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Bharat Begwani has resigned from the post of Chief Financial Officer of the Company with effect from close of business hours of 22nd May, 2019. The Board wishes to gratefully acknowledge Mr. Begwani's committed and dedicated services during his tenure with the Company.

The Board based on the recommendation of Nomination & Remuneration Committee at its meeting held on 29th May, 2019 has appointed Mr. Siddhartha Shankar Roy (DIN: 08458092) and Ms. Gargi Singh (DIN: 08458152) as Non-Executive Independent Directors for a term of 5 (Five) years which was approved by the Shareholders in the Annual General Meeting held on 24th September, 2019. Further, the Board has appointed Mr. Mahendra Bang as Chief Financial Officer of the Company w.e.f. 29th May, 2019.

Mrs. Smita Khaitan and Dr. Kali Kumar Chaudhuri had resigned as Non-Executive Independent Directors of the Board effective from 4th June, 2019 and 19th June, 2019 due to health reasons and to pursue other interests and commitments respectively. The Board places on record its sincere appreciation for the contributions made by both the Independent Directors during their tenure as Director and Member of various committees of the Board of Directors of the Company.

Further, upon a favourable recommendation from the Board's Nomination & Remuneration Committee the Board at its meeting held on 14th August, 2019 approved the re-appointment of Mr. Ajay Kumar Chakraborty (DIN: 00133604), as Non-Executive Independent Director of the Company for a second term of five years w.e.f. 24th September, 2019, which was approved by the Shareholders at the Annual General Meeting held on 24th September, 2019.

In accordance with the provisions of Section 152(6)(c) of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 87 of the Articles of Association of the Company, Mr. Karan Agrawal (DIN: 05348309)

Whole-time Director and Mr. Debasis Banerjee (DIN: 08164196) Whole-time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

Mr. Karan Agrawal (DIN: 05348309) was appointed as the Whole-time Director of the Company with effect from 17th November, 2014 for a period of three years. Subsequently, he was re-appointed for a further period of three years with effect from 17th November, 2017. Mr. Sushil Kumar Agrawal (DIN: 00091793) was appointed as the Managing Director of the Company with effect from 23rd November, 2014 for a period of three years. Subsequently, he was re-appointed for a further period of three years with effect from 23rd November, 2017.

Mr. Debasis Banerjee (DIN: 08164196) was appointed as the Whole-time Director of the Company with effect from 2nd August, 2018 for a period of three years.

Accordingly, pursuant to the recommendation of Nomination & Remuneration Committee and after taking into consideration expertise, knowledge in respective field which is beneficial to the Company in the long run, experience, and valuable inputs the Directors provide to the Company, the Board of Directors at its meeting held on 14th August, 2020 has re-evaluated the tenure and has approved the re-appointment of Mr. Sushil Kumar Agrawal as Managing Director, Mr. Karan Agrawal and Mr. Debasis as Whole-time Directors of the Company, liable to retire by rotation for a term of 3 (Three) years w.e.f. 23rd November, 2020, 17th November, 2020 and 2nd August, 2021 respectively, subject to approval of shareholders in the ensuing Annual General Meeting

The brief profiles of the Directors recommended by the Board for appointment/re-appointment have been provided in the Notice convening the Tenth (10th) AGM.

AUDITORS

Statutory Auditors

As per the provisions of the Act, the period of office of M/s. S. K. Agrawal & Co., Chartered Accountants, (Firm Registration No. 306033E), Statutory Auditors of the Company, expired at the conclusion of 9th (Ninth) Annual General Meeting. The Company has appointed M/s. S. Bhalotia & Associates, Chartered Accountants, (Firm Registration No. 325040E) as Statutory Auditors of the Company, for a term of 5 (five) consecutive years on such remuneration as may be determined by the Board of Directors based on the recommendation of the Audit Committee and mutually agreed by the Statutory Auditors and Management of the Company, in addition to the reimbursement of out-of-pocket expenses as may be incurred by them for the purpose of audit. M/s. S. Bhalotia & Associates, Chartered Accountants, (Firm Registration No. 325040E) have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

There are no observations (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self-explanatory and give complete information.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Deepak Khaitan & Co., Practising Company Secretaries as the Secretarial Auditor, to conduct Secretarial Audit of the Company for the Financial Year 2019-20.

The Secretarial Audit Report in Form MR-3 as given by the Secretarial Auditor for the Financial Year ended 31st March, 2020, forms part of the Directors Report and annexed as **Annexure-'C'**.

The Secretarial Auditors Report of the Company, does not contain any qualification, reservation, adverse remark or disclaims that may call for any explanation from the Directors. The Secretarial Audit Report, however contain an observation that the Company is yet to file some of forms with Registrar of Companies and it has been represented to the Auditor the Company is in the process of filing the same.

Cost Auditors

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records for, few of its products and accordingly, such accounts are made and records have been maintained by the Company.

The Board of Directors of the Company, on the recommendations made by the Audit Committee, has appointed M/s. B. Mukhopadhyay & Co., Cost Accountants as the Cost Auditors of the Company to conduct the audit of cost records for the FY 2020-21 in accordance with Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, at a remuneration of ₹ 1,00,000/- plus reimbursement of out-of-pocket expenses at actual and applicable taxes. The remuneration to be paid to the Cost Auditor needs to be ratified by the shareholders at the ensuing Annual General Meeting of the Company.

A resolution seeking Member's approval for ratification of the remuneration payable to the Cost Auditor forms part of the Notice of the Annual General Meeting and the same is recommended for your consideration.

Relevant cost audit report for the year 2018-19 was submitted to the Central Government within stipulated time and was free from any qualification or adverse remarks. The Cost Audit Report for the financial year 2019-20 has been reviewed by the Board of Directors at its meeting held of 14th August, 2020 and the same will be filed with central Government within stipulated time. The said report is free from any qualification or adverse remarks.

Internal Auditors

The Board of Directors of the Company, on the recommendations made by the Audit Committee, has appointed M/s. S. K. Agrawal & Co. (FRN: 326033E), Chartered Accountants as Internal Auditors of the Company for the FY 2020-21 in accordance with Section 138 of the Act read with the Companies (Accounts) Rules, 2014.

FRAUD REPORTING

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

DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME

During the year under review, your Company has not provided any employee stock option/ purchase scheme.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of the loans given, investments made, guarantees given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the notes to the Financial Statements (Refer note no. 4 & 11).

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

As required under the Listing Regulations, related party transactions are placed before the Audit Committee for approval. Wherever required, prior approval of the Audit Committee is obtained on an omnibus basis for continuous transactions and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the Audit Committee and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

All related party transactions/arrangements entered into by the Company during the year were on an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions entered into by the Company during the year under review which could conflict with the interest of the Company as a whole and, as such, disclosure in Form AOC-2 pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014 has not been made.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website www.manaksiacoatedmetals.com and the weblink thereto http://www.manaksiacoatedmetals.com/pdf/22_03_16/Policy_on_Related_Party_Transaction_Coated_Final_22316.pdf

PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of related party disclosures with respect to loans/ advances/ investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details required pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo forms part of this Directors Report and marked as **Annexure-‘D’**.

RISK MANAGEMENT SYSTEM

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realisation of opportunities.

In accordance with the Listing Regulations, the Board of Directors of the Company are responsible for framing, implementing and monitoring the risk management plans of the Company. The Company has a “Risk Management Policy” to identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company. It helps in safeguarding the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives. The major risks have been identified by the Company and its mitigation process/measures have been formulated.

COMMITTEES OF THE BOARD

The Board of Directors have constituted Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging of its responsibilities.

Audit Committee

The Company pursuant to the requirement of the provisions of Section 177 of the Act read with the Regulation 18 of the Listing Regulations has in place Audit Committee comprising of 4 (Four) members. The Committee is chaired by Mr. Ajay Kumar Chakraborty (DIN: 00133604), Independent Director. Ms. Gargi Singh (DIN: 08458152), Independent Director, Mr. Siddhartha Shankar Roy (DIN: 08458092), Independent Director and Mr. Sushil Kumar Agrawal (DIN: 00091793), Managing Director are the other Members. Mr. Mahendra Kumar Bang, Chief Financial Officer is a permanent invitee to the Meeting. Ms. Sailja Gupta, the Company Secretary acts as a Secretary to the Committee.

The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

There were no instances of any disagreement between the Committee and the Board and all recommendations of the Audit Committee made during the year were accepted by the Board.

Nomination & Remuneration Committee

The Company pursuant to the provisions of Section 178(1) of the Act, read with the Regulation 19 of the Listing Regulations has in place the Nomination & Remuneration Committee comprising of 4 (Four) members. The Committees is chaired by Mr. Siddhartha Shankar Roy (DIN: 08458092), Independent Director. Mr. Ajay Kumar Chakraborty (DIN:00133604), Independent Director, Ms. Gargi Singh (DIN: 08458152), Independent Director and Mr. Sunil Kumar Agrawal (DIN: 00091784), Non-Executive Director are the other members.

The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

There were no instances of any disagreement between the Committee and the Board and all recommendations of the Nomination & Remuneration Committee made during the year were accepted by the Board.

COMPANY’S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Company has formulated and adopted a Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Act and Regulation 19 read with Para A of Part D of Schedule II of Listing Regulations.

The said Policy of the Company, *inter-alia*, formulates the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the

Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and such other matters as provided under sub-section (3) of Section 178 of the Act.

The policy aims to attract, retain and motivate qualified people at the executive and at the board levels and ensures that the interests of Board members & senior executives are aligned with the business strategy, objectives, values and long-term interests of the Company.

The policy contains detailed criteria for selection and appointment of the Board members and other executive members and also lays down the compensation structure of Non-Executive Directors, Executive Directors, Key Managerial Personnel(s) and Senior Management Personnel(s). The said policy forms part of the Directors Report and marked as **Annexure- 'E'**.

The policy is also available at the following weblink: http://www.manaksiacoatedmetals.com/pdf/Remuneration-Policy_Manaksia-Coated-Metals-Industries-Limited_29-05-2019.pdf.

Stakeholders Relationship Committee

As required by the provisions of Section 178(5) of the Act, read with Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee comprising of 3 (Three) members. The Committee is chaired by Mr. Siddhartha Shankar Roy (DIN: 08458092), Independent Director. Mr. Sushil Kumar Agrawal (DIN: 00091793), Managing Director and Mr. Sunil Kumar Agrawal (DIN: 00091784), Non-Executive Director are the other members.

The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, and the Listing Regulations, read with Guidance Note on Board Evaluation of SEBI dated 5th January, 2017, the Nomination & Remuneration Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Board functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out the annual evaluation of its own performance, the performance of Board Committee and of Directors individually.

The performance of the Board and individual Directors was evaluated by the Board seeking feedback from all the Directors. The performance of the Committees was evaluated by the Board seeking views from the Committee Members. As per Para VII of Schedule IV of the Act, the Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting held on 29th May, 2019 have reviewed the performance of:

- Non-Independent Directors and the Board as a whole;
- the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors;
- assessed the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties.

The review of performance of Non-Independent Directors was done after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas and planning etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members etc. The evaluation of the Chairman of the Company was conducted on various parameters such as leadership, quality, capability, availability, clarity of understanding, governance & compliance and degree of contribution etc.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of performance of Board, its Committees and of individual directors.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the details containing salient features of the financial statements of the Subsidiary Companies, in Form AOC-1 forms part of this Annual Report. During the year under review, the Company does not have any Joint Ventures and Associate Companies.

The details of performance of the Subsidiary Company is as follows:

Foreign Subsidiary:

Manaksia International FZE

There were no revenue during the Financial Year 2019-20. During the year the Company incurred a net loss of AED 0.32 Lacs (equivalent to ₹ 6.18 Lacs).

Indian Subsidiary:

JPA Snacks Private Limited

The total revenue of the Company for Financial Year 2019-20 stood at ₹ 109.92 Lacs. During the year the Company incurred a net loss of ₹ 202.25 Lacs.

Except as stated hereinabove, the Company does not have joint venture or associate company during the year under review.

MATERIAL SUBSIDIARY COMPANIES

Pursuant to Regulation 16(1)(c) of the Listing Regulations (as amended from time to time), a subsidiary shall be considered as material if its income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. During the year under review, Manaksia International FZE has become the material subsidiary according to the net worth threshold of Regulation 16 of the Listing Regulations. Policy for determining Material Subsidiaries is provided at the following weblink:

http://www.manaksiacoatedmetals.com/pdf/Policy-on-Material-Subsidiary_Coated.pdf

FAMILIARIZATION PROGRAMME

In terms of Regulation 25(7) of Listing Regulations your Company is required to conduct Familiarisation Programme for Independent Directors to familiarise them about your Company including nature of industry in which your Company operates, business model of your Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of the Listing Regulations, your Company is required to disseminate on its website, details of familiarisation programme imparted to IDs including the details of

- i) number of programmes attended by IDs (during the year and on a cumulative basis till date),
- ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and
- iii) other relevant details.

Accordingly, the details of familiarization programme imparted to the Independent Directors is provided at the following weblink : **http://www.manaksiacoatedmetals.com/pdf/Familiarization-Programme_MCMIL-24062019.pdf**

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review in terms of provisions of Chapter V of the Act.

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

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact its going concern status and Company's operations in future.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to the financial statements. Your Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. To commensurate the internal financial control with its size, scale and complexities of its operations the Company on the recommendation of Audit Committee has appointed M/s Agrawal Tondon & Co., Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2019-20. The Audit Committee reviews the Report submitted by the Internal Auditors. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems, in this regard, your Board confirms the following:

- a. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
- b. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
- c. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
- d. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
- e. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In Compliance with the provisions of Section 177(9) of the Act and Listing Regulations, the Company has framed a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behavior, mal practice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company policies including Code of Conduct without fear of reprisal/retaliation. The policy provides for adequate safeguards against victimization of persons who use such mechanism and provides for direct access to the Chairperson of the Audit Committee in appropriate cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy was amended during the year under review and is available on the website of the Company www.manaksiacoatedmetals.com and the weblink thereto is http://www.manaksiacoatedmetals.com/pdf/22_03_16/Whistle_Blower_Policy_Coated_Final_22316.pdf

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

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('the Act') and Rules under it. Your Company has complied with provisions relating to the constitution of an Internal Complaints Committee under the Act. The Internal Committee (IC) composes of internal members and an external member who has extensive experience in the field.

During the year under review, no case of sexual harassment was reported to the Internal Complaints Committee.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosure pertaining to remuneration and other details as required under the provisions of Section 197(12) of the Act read with applicable provisions of Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors Report and marked as **Annexure- 'F'**.

During the year under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In Compliance with the provisions of the Act and the Listing Regulations the Consolidated Financial Statements of the Company and its subsidiary Company is attached. The Consolidated Financial Statement has been prepared in accordance with the applicable accounting standards issues by the Institute of Chartered Accountants of India and shows the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the period under review, no Corporate Insolvency Resolution Process was initiated under the Insolvency and Bankruptcy Code, 2016 (IBC).

ACKNOWLEDGEMENT

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the Endeavour of your Company to deploy resources in a balanced manner so as to secure the interest of the shareholders in the best possible manner in the short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed customers, commercial associates, banks, financial institutions, government authorities, other stakeholders and the media.

Your Directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable teamwork, professionalism and enthusiastic contribution towards the working of the Company.

Your Directors look forward to the future with hope and conviction.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 14th August, 2020

Sushil Kumar Agrawal
(Managing Director)
(DIN: 00091793)

Karan Agrawal
(Whole-Time Director)
(DIN: 05348309)

ANNEXURE-'A'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2020

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

I. REGISTRATION & OTHER DETAILS:

| | | |
|---|---|--|
| 1 | CIN | L27100WB2010PLC144409 |
| 2 | Registration Date | 25th March, 2010 |
| 3 | Name of the Company | Manaksia Coated Metals & Industries Limited |
| 4 | Category/Sub-category of the Company | Public Company/Limited by Shares |
| 5 | Address of the Registered office & contact details | Bikaner Building, 3rd Floor, 8/1, Lal Bazar Street, Kolkata – 700 001 Tel: +91-33-2243 5053 |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Link Intime India Private Limited Vaishno Chambers, 6 Brabourne Road, Room No. 502 & 503, 5th Floor, Kolkata - 700 001 Tel : +91-33-4004 9728 Fax : +91-33-4073 1698 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Metal Products | 24105 | 93.85% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name and Address of the Company | CIN/GIN | Holding/ Subsidiary/ Associate | % of Shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1 | Manaksia International FZE PO Box 53805, Hamriyah Free Zone, Sharjah, UAE | NA | Subsidiary Company | 100% | Section 2(87) |
| 2 | JPA Snacks Private Limited 8/1, Lal Bazar Street, Bikaner Building, 3rd Floor, Kolkata - 700001 | U15315WB2017PTC219131 | Subsidiary Company | 100% | Section 2(87) |

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

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 01.04.2019] | | | | No. of Shares held at the end of the year [As on 31.03.2020] | | | | % Change During the year |
|---|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 44044440 | - | 44044440 | 67.208 | 44044440 | - | 44044440 | 67.208 | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total A(1) | 44044440 | - | 44044440 | 67.208 | 44044440 | - | 44044440 | 67.208 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | - | - | - | - | - | - | - | - | - |
| b) Others – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks/ FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub-total A(2) | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1) + (A)(2) | 44044440 | - | 44044440 | 67.208 | 44044440 | - | 44044440 | 67.208 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | 756 | - | 756 | 0.001 | 1056 | - | 1056 | 0.002 | 0.001 |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | 756 | - | 756 | 0.001 | 1056 | - | 1056 | 0.002 | 0.001 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 12499732 | - | 12499732 | 19.074 | 9285133 | - | 9285133 | 14.168 | (4.906) |
| ii) Overseas | - | - | - | - | - | - | - | - | - |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 01.04.2019] | | | | No. of Shares held at the end of the year [As on 31.03.2020] | | | | % Change During the year |
|---|---|-------------|-----------------|-------------------|---|-------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to ₹ 1 lakh | 6722152 | 1059 | 6723211 | 10.259 | 6801937 | 1019 | 6802956 | 10.381 | 0.122 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 1243695 | - | 1243695 | 1.898 | 4175865 | - | 4175865 | 6.372 | (4.474) |
| c)NBFCs registered with RBI | 2000 | - | 2000 | 0.003 | - | - | - | - | (0.003) |
| d) Others (specify) | | | | | | | | | |
| Non Resident Indians(Rep) | 81643 | - | 81643 | 0.125 | 87059 | - | 87059 | 0.133 | 0.008 |
| Non Resident Indians(Non-Rep) | 62664 | - | 62664 | 0.096 | 247821 | - | 247821 | 0.378 | 0.282 |
| Hindu Undivided Family (HUF) | 755494 | 1 | 755495 | 1.153 | 887086 | 1 | 887087 | 1.354 | 0.201 |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | 120414 | - | 120414 | 0.184 | 2633 | - | 2633 | 0.004 | (0.180) |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | 21487794 | 1060 | 21488854 | 32.790 | 21487534 | 1020 | 21488554 | 32.790 | 0.000 |
| Total Public Shareholding (B)=(B (1))+ (B)(2) | 21488550 | 1060 | 21489610 | 32.791 | 21488590 | 1020 | 21489610 | 32.792 | 0.000 |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 65532990 | 1060 | 65534050 | 100.00 | 65533030 | 1020 | 65534050 | 100.000 | - |

B) Shareholding of Promoter-

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year (01.04.2019) | | | Shareholding at the end of the year (As on 31.03.2020) | | | % change in shareholding during the year |
|---------|------------------------------|--|----------------------------------|---|--|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1 | Sushil Kumar Agrawal | 13181230 | 20.114 | - | 13181230 | 20.114 | - | - |
| 2 | Sunil Kumar Agrawal | 12379620 | 18.890 | - | 12379620 | 18.890 | - | - |
| 3 | Mahabir Prasad Agrawal | 7024990 | 10.720 | - | 7024990 | 10.720 | - | - |
| 4 | Anirudha Agrawal | 4776170 | 7.288 | - | 4776170 | 7.288 | - | - |
| 5 | Karan Agrawal | 1797185 | 2.742 | - | 1797185 | 2.742 | - | - |
| 6 | Devansh Agrawal | 750000 | 1.144 | - | 750000 | 1.144 | - | - |
| 7 | Tushar Agrawal | 1472190 | 2.246 | - | 1472190 | 2.246 | - | - |
| 8 | Shailaja Agrawal | 497810 | 0.760 | - | 497810 | 0.760 | - | - |
| 9 | Manju Agrawal | 487125 | 0.743 | - | 487125 | 0.743 | - | - |
| 10 | Kanta Devi Agrawal | 482060 | 0.736 | - | 482060 | 0.736 | - | - |
| 11 | Mahabir Prasad Agrawal (HUF) | 464060 | 0.708 | - | 464060 | 0.708 | - | - |
| 12 | Sunil Kumar Agrawal (HUF) | 393750 | 0.601 | - | 393750 | 0.601 | - | - |
| 13 | Sushil Kumar Agrawal (HUF) | 338250 | 0.516 | - | 338250 | 0.516 | - | - |

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

| Sl. No. | Name | Shareholding at the beginning (01.04.2019) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------|------------------------|--|----------------------------------|--------------------------|--------------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 1 | Sushil Kumar Agrawal | 13181230 | 20.114 | 01.04.2019 31.03.2020 | - | 13181230 | 20.114 |
| 2 | Sunil Kumar Agrawal | 12379620 | 18.89 | 01.04.2019 31.03.2020 | - | 12379620 | 18.89 |
| 3 | Mahabir Prasad Agrawal | 7024990 | 10.72 | 01.04.2019 31.03.2020 | - | 7024990 | 10.72 |
| 4 | Anirudha Agrawal | 4776170 | 7.288 | 01.04.2019 31.03.2020 | - | 4776170 | 7.288 |
| 5 | Karan Agrawal | 1797185 | 2.742 | 01.04.2019 31.03.2020 | - | 1797185 | 2.742 |
| 6 | Tushar Agrawal | 1472190 | 2.246 | 01.04.2019 31.03.2020 | - | 1472190 | 2.246 |
| 7 | Devansh Agrawal | 750000 | 1.144 | 01.04.2019 31.03.2020 | - | 750000 | 1.144 |
| 8 | Shailaja Agrawal | 497810 | 0.76 | 01.04.2019 31.03.2020 | - | 497810 | 0.76 |
| 9 | Manju Agrawal | 487125 | 0.743 | 01.04.2019 31.03.2020 | - | 487125 | 0.743 |

| Sl. No. | Name | Shareholding at the beginning (01.04.2019) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------|------------------------------|--|----------------------------------|--------------------------|--------------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 10 | Kanta Devi Agrawal | 482060 | 0.736 | 01.04.2019 31.03.2020 | - | 482060 | 0.736 |
| 11 | Mahabir Prasad Agrawal (HUF) | 464060 | 0.708 | 01.04.2019 31.03.2020 | - | 464060 | 0.708 |
| 12 | Sunil Kumar Agrawal (HUF) | 393750 | 0.601 | 01.04.2019 31.03.2020 | - | 393750 | 0.601 |
| 13 | Sushil Kumar Agrawal (HUF) | 338250 | 0.516 | 01.04.2019 31.03.2020 | - | 338250 | 0.516 |

- Note:** 1) Paid up Share Capital of the Company (Face Value Re. 1.00) at the end of the year is 6,55,34,050 shares.
2) % of total shares of the Company is based on the paid up Capital of the Company at the end of the year.

D) Shareholding Pattern of top ten Shareholders-

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

| Sl. No. | Name | Shareholding at the beginning (01.04.2019) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------|---------------------------------|---|----------------------------------|--|---|--|--|
| | | No. of Shares at the beginning (01.04.2019) | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 1 | Gita Renewable Energy Limited | - | - | 01.04.2019 31.03.2020 | - | 2205022 | 3.365 |
| 2 | Sudha Gupta | 375000 | 0.572 | 01.04.2019 24.01.2020 31.01.2020 31.03.2020 | 940002 330853 | 1315002 1645855 1645855 | 2.007 2.512 2.512 |
| 3 | Abhishek Sharma | - | - | 01.04.2019 17.01.2020 24.01.2020 31.01.2020 31.03.2020 | 608112 650000 191888 | 608112 1258112 1450000 | 0.928 1.920 2.213 |
| 4 | Globe Capital Market Limited | 1177773 | 1.797 | 01.04.2019 31.05.2019 07.06.2019 27.09.2019 30.09.2019 08.11.2019 27.12.2019 31.12.2019 31.03.2020 | 1 (1901) (75) 100 (100) 50 (50) | 1177774 1175873 1175798 1175898 1175798 1175848 1175798 1175798 | 1.797 1.794 1.794 1.794 1.794 1.794 1.794 1.794 |
| 5 | Globe Stock and Securities Ltd. | 587744 | 0.897 | 01.04.2019 05.04.2019 31.03.2020 | 95892 | 683636 683636 | 1.043 1.043 |

| Sl. No. | Name | Shareholding at the beginning (01.04.2019) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------|------------------------------------|---|----------------------------------|-----------------------------------|--------------------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01.04.2019) | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 6 | Ideal Buildcon Private Limited | 584800 | 0.892 | 01.04.2019 | | | |
| | | | | 05.04.2019 | 38450 | 623250 | 0.951 |
| | | | | 31.03.2020 | | 623250 | 0.951 |
| 7 | Bhavya Tradex Private Limited | - | - | 01.04.2019 | | | |
| | | | | 20.09.2019 | 130000 | 130000 | 0.198 |
| | | | | 27.09.2019 | 247834 | 377834 | 0.577 |
| | | | | 31.03.2020 | | 377834 | 0.577 |
| 8 | Mariko Consultants Private Limited | - | - | 01.04.2019 | | | |
| | | | | 27.09.2019 | 127165 | 127165 | 0.194 |
| | | | | 04.10.2019 | 249929 | 377094 | 0.575 |
| | | | | 31.03.2020 | | 377094 | 0.575 |
| 9 | Karikish Vyapaar Private Limited | 273650 | 0.418 | 01.04.2019 | | | |
| | | | | 05.04.2019 | 100000 | 373650 | 0.570 |
| | | | | 29.11.2019 | (3000) | 370650 | 0.566 |
| | | | | 31.03.2020 | | 370650 | 0.566 |
| 10 | Neeta Sethia | - | - | 01.04.2019 | | | |
| | | | | 28.02.2020 | 150000 | 150000 | 0.229 |
| | | | | 13.03.2020 | 38825 | 188825 | 0.288 |
| | | | | 20.03.2020 | 160000 | 348825 | 0.532 |
| | | | | 31.03.2020 | | 348825 | 0.532 |
| 11 | Cyndrella Tie Up Private Limited | 301332 | 0.460 | 01.04.2019 | | | |
| | | | | 31.03.2020 | | 301332 | 0.460 |
| | | | | (Ceased to be Top 10 Shareholder) | | | |
| 12 | PNC Capital Trust Ltd. | 655000 | 0.999 | 01.04.2019 | - | | |
| | | | | 14.02.2020 | (99374) | 555626 | 0.848 |
| | | | | 21.02.2020 | (150093) | 405533 | 0.619 |
| | | | | 06.03.2020 | (138019) | 267514 | 0.408 |
| | | | | 31.03.2020 | | 267514 | 0.408 |
| | | | | (Ceased to be Top 10 Shareholder) | | | |
| 13 | Accolade Traders Private Limited | 3264875 | 4.982 | 01.04.2019 | | | |
| | | | | 13.09.2019 | (3234) | 3261641 | 4.977 |
| | | | | 20.09.2019 | (96609) | 3165032 | 4.830 |
| | | | | 27.09.2019 | (150717) | 3014315 | 4.600 |
| | | | | 30.09.2019 | (65000) | 2949315 | 4.500 |
| | | | | 04.10.2019 | (60000) | 2889315 | 4.409 |
| | | | | 11.10.2019 | (116000) | 2773315 | 4.232 |
| | | | | 17.01.2020 | (1130000) | 1643315 | 2.508 |
| | | | | 24.01.2020 | (1643315) | 0 | 0.000 |
| | | | | 31.03.2020 | | 0 | 0.000 |
| | | | | | | | |

| Sl. No. | Name | Shareholding at the beginning (01.04.2019) | | Date | Increase/ (Decrease) in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------|-------------------------------------|---|----------------------------------|-----------------------------------|--------------------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01.04.2019) | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 14 | Attractive Vinimay Private Limited | 1816250 | 2.771 | 01.04.2019 | - | | |
| | | | | 20.09.2019 | (500000) | 1316250 | 2.771 |
| | | | | 22.11.2019 | 12000 | 1328250 | 2.009 |
| | | | | 07.01.2020 | (1328250) | 0 | 2.027 |
| | | | | 31.03.2020 | | 0 | 0.000 |
| | | | | (Ceased to be Top 10 Shareholder) | | | 0.000 |
| 15 | Aradhana Properties Private Limited | 1467000 | 2.239 | 01.04.2019 | - | | |
| | | | | 17.01.2020 | (1467000) | 0 | 0.000 |
| | | | | 31.03.2020 | 0 | 0 | 0.000 |
| | | | | (Ceased to be Top 10 Shareholder) | | | |
| 16 | B B Constructions Limited | 304935 | 0.465 | 01.04.2019 | - | | |
| | | | | 17.01.2020 | (304935) | 0 | 0.000 |
| | | | | 31.03.2020 | 0 | 0 | 0.000 |
| | | | | (Ceased to be Top 10 Shareholder) | | | |

- Note:**
- 1) The above information is based on the weekly beneficiary position received from Depositories.
 - 2) Paid up Share Capital of the Company (Face Value Re. 1.00) at the end of the year is 65534050 shares.
 - 3) The details of holding has been clubbed based on PAN.
 - 4) % of total shares of the Company is based on the paid up Capital of the Company at the end of the year.

E) Shareholding of Directors and Key Managerial Personnel-

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2019) | | Date | Increase/ Decrease in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|------------------|------------------------|--|----------------------------------|--------------------------|------------------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01.04.2019) | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| DIRECTORS | | | | | | | |
| 1 | Ajay Kumar Chakraborty | - | - | 01.04.2019 31.03.2020 | - | - | - |
| 2 | Karan Agrawal | 1797185 | 2.742 | 01.04.2019 31.03.2020 | - | 1797185 | 2.742 |
| 3 | Sunil Kumar Agrawal | 12379620 | 18.890 | 01.04.2019 31.03.2020 | - | 12379620 | 18.890 |
| 4 | Sushil Kumar Agrawal | 13181230 | 20.114 | 01.04.2019 31.03.2020 | - | 13181230 | 20.114 |

| Sl. No. | Name | Shareholding at the beginning of the year (01.04.2019) | | Date | Increase/ Decrease in Shareholding | Cumulative Shareholding during the year (01.04.2019 to 31.03.2020) | |
|---------------------------------|------------------------|--|----------------------------------|--------------------------|------------------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01.04.2019) | % of total shares of the Company | | | No. of Shares | % of total shares of the Company |
| 5 | Anirudha Agrawal | 4776170 | 7.288 | 01.04.2019 31.03.2020 | - | 4776170 | 7.288 |
| 6 | Mahabir Prasad Agrawal | 7024990 | 10.720 | 01.04.2019 31.03.2020 | | 7024990 | 10.720 |
| 7 | Debasis Banerjee | - | - | 01.04.2019 31.03.2020 | - | - | - |
| 8 | Siddhartha Shankar Roy | - | - | 01.04.2019 31.03.2020 | - | - | - |
| 9 | Gargi Singh | - | - | 01.04.2019 31.03.2020 | - | - | - |
| KEY MANAGERIAL PERSONNEL | | | | | | | |
| 1 | Sailja Gupta | - | - | 01.04.2019 31.03.2020 | - | - | - |
| 2 | Mahendra Kumar Bang | - | - | 01.04.2019 31.03.2020 | - | - | - |

V. 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 |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 8945.33 | 3,204.77 | - | 12,150.10 |
| ii) Interest due but not paid | 0.00 | 201.09 | - | 201.09 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 8,945.33 | 3,405.86 | - | 12,351.19 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 467.19 | 1,957.33 | - | 2,424.52 |
| * Reduction | 590.09 | 917.22 | - | 1,507.31 |
| Net Change | (122.90) | 1,040.11 | - | 917.21 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 8,822.43 | 4,031.88 | - | 12,854.31 |
| ii) Interest due but not paid | - | 414.09 | - | 414.09 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 8,822.43 | 4,445.97 | - | 13,268.40 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ In Lacs)

| SI No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|--------|---|-------------------------|-------------------|----------------------|----------------------|---------------|
| | | MD | WTD | WTD | WTD | |
| | | Mr. Sushil Agrawal | Mr. Karan Agrawal | Mr. Anirudha Agrawal | Mr. Debasis Banerjee | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 126.00 | 120.00 | 120.00 | 9.75 | 375.75 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission - as % of profit - others, specify | - | - | - | - | - |
| 5 | Others, please specify | | | | | |
| | Total (A) | 126.00 | 120.00 | 120.00 | 9.75 | 375.75 |
| | Ceiling as per the Act* | 240.00 | 240.00 | 240.00 | 120.00 | 840.00 |

*The Ceiling has been calculated as per Schedule V of the Companies Act, 2013.

B. Remuneration to other directors:

(₹ In Lacs)

| SI No. | Particulars of Remuneration | Name of Directors | | | | | | Total Amount | |
|--------|--|-------------------------|----------------------------|----------------------------|--|--------------------------------------|--|--------------|-----------------------------------|
| | | Mr. Sunil Kumar Agrawal | Mr. Mahabir Prasad Agrawal | Mr. Ajay Kumar Chakraborty | Dr. Kali Kumar Chaudhuri (Upto 19.06.2019) | Mrs. Smita Khaitan (Upto 04.06.2019) | Mr. Siddhartha Shankar Roy (From 29.05.2019) | | Ms. Gargi Singh (From 29.05.2019) |
| 1 | Independent Directors | | | | | | | | |
| | Fee for attending board committee meetings | - | - | 0.520 | 0.360 | 0.135 | 0.310 | 0.310 | 1.635 |
| | Commission | - | - | - | - | - | - | - | - |
| | Others, please specify | | | | | | | | |
| | Total (1) | - | - | 0.520 | 0.360 | 0.135 | 0.310 | 0.310 | 1.635 |
| 2 | Other Non-Executive Directors | | | | | | | | |
| | Fee for attending board committee meetings | 0.385 | 0.275 | - | - | - | - | - | 0.660 |
| | Commission | - | - | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - | - | - |
| | Total (2) | 0.385 | 0.275 | - | - | - | - | - | 0.660 |
| | Total (B)=(1+2) | 0.385 | 0.275 | 0.520 | 0.360 | 0.135 | 0.310 | 0.310 | 2.295 |
| | Total Managerial Remuneration* | | | | | | | | |
| | Overall Ceiling as per the Act | - | - | - | - | - | - | - | 840.00 |

* Total Remuneration to Managing Director, Whole Time Director & other Directors (being the total of A & B)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:
(₹ In Lacs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
|---------|---|--|--|--------------|--------------|
| | | CFO | CFO | CS | |
| | | Bharat Begwani (Upto 22.05.2019) | Mahendra Kumar Bang (From 29.05.2019) | Sailja Gupta | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1.76 | 10.10 | 6.08 | 17.94 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| | - as % of profit | - | - | - | - |
| | -others, specify | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total | 1.76 | 10.10 | 6.08 | 17.94 |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES-

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD/NCLT/COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | -NONE- | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | -NONE- | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | -NONE- | | |
| Compounding | | | | | |

For and on behalf of the Board of Directors

 Place: Kolkata
 Dated: 14th August, 2020

Sushil Kumar Agrawal
 (Managing Director)
 (DIN: 00091793)

Karan Agrawal
 (Whole-Time Director)
 (DIN: 05348309)

ANNEXURE – 'B'



CORPORATE GOVERNANCE REPORT

Your Company has complied with the provisions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

A report on the implementation of Corporate Governance by the Company as per the Listing Regulations is given below:

1. PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to ensure adoption of high standard of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and compliance with regulatory guidelines on Corporate Governance. The Company has adopted the principles of good Corporate Governance and is committed to adopt best relevant practices for governance to achieve the highest level of transparency and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. As such the Company aims at always remaining progressive, competent and trustworthy, creating and enhancing value of stakeholders and customers to their complete satisfaction. The Company continues to focus its resources, strengths and strategies to achieve the core values of quality, trust, leadership and excellence.

The Company is compliant with the provisions of Regulations 17 to 27, and clause (b) to (i) of sub regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Listing Regulations, as applicable, with regard to Corporate Governance.

2. BOARD OF DIRECTORS

COMPOSITION

The Board provides leadership and strategic guidance to the Company's management and an active, well informed and independent board brings wide range of expertise and experience to the Company's functioning and ensures highest standard of corporate governance in the Company.

The Company recognizes and embraces the benefit of having a diverse Board and accordingly competent, experienced and eminent personalities from different fields of work have been selected as members of the Board. The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of Listing Regulations and has an optimum mix of Executive and Non- Executive Directors with one-third of the Board of the Company comprising of Independent Directors. As on 31st March, 2020, the Board of Directors of the Company comprised of 9 (Nine) Directors of whom 3 (Three) are Independent Directors (including the Chairman and one Woman Director), 4 (Four) are Executive Directors including the Managing Director and 2 (Two) is Non-Executive Director.

The composition and category of Directors, their attendance at the Board Meetings and at the last Annual General Meeting (hereinafter referred to as 'AGM') held during the FY 2019-20 and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on 31st March, 2020 are as given below. The gap between two Board meetings did not exceed one hundred and twenty days.

During the year under review Ms. Gargi Singh (DIN: 08458152) and Mr. Siddhartha Shankar Roy (DIN: 08458092) has been appointed as Non-Executive Independent Directors for a period of 5 (Five) years w.e.f. 29th May, 2019 as approved by the Shareholders in the Annual General Meeting held on 24th September, 2019.

BOARD MEETINGS

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies, financial results, business operations, future course of action and reviews all the relevant information which are mandatorily required to be placed before the Board. Minimum four prescheduled Board meetings are held during a year and additional meetings are held to address specific needs. In case of urgent business, Board's approval is taken by passing resolution by circulation. The circular resolutions are noted at the subsequent board meeting. However, during the year under review, no Board's approval were taken through circular resolutions.

The maximum time gap between any two meetings does not exceed one hundred and twenty days.

The agenda of the Board/Committee meeting is set by the Company Secretary in consultation with the Chairman and Managing Director of the Company and are circulated amongst the Director's well in advance to enable the Board to take informed decisions. At Board/Committee meetings, departmental heads and representatives who can provide additional insights were invited. Draft minutes of the proceedings of the meetings are circulated in time and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The minutes of the proceedings of the meetings are entered in the Minutes Book and thereafter signed by the Chairman.

Important decisions taken by the Board and its Committees are promptly communicated to the concerned departments. Action taken reports on decisions of the previous meetings are placed at the next meeting(s) for information and further recommended actions, if any.

During the year, four Board Meetings were held on 29th May, 2019, 14th August, 2019, 8th November, 2019 and 7th February, 2020. Necessary quorum was present at all the meetings.

a) Attendance of each of the directors at the Board Meetings held during the year ended 31st March, 2020 and of the last Annual General Meeting is as under:

| Name of the Director | Category of Director# | Number of Board Meetings held during FY 2019-20 | Number of Board Meetings entitled to attend during FY 2019-20 | Number of Board Meetings attended during FY 2019-20 | Whether attended AGM held on 24 th September, 2019 |
|--|-----------------------|---|---|---|---|
| Mr. Ajay Kumar Chakraborty DIN: 00133604 | NEI/ Chairman | 4 | 4 | 3 | Yes |
| Mr. Anirudha Agrawal DIN: 06537905 | PD/WTD | 4 | 4 | 3 | Yes |
| Mr. Debasis Banerjee DIN: 08164196 | WTD | 4 | 4 | 3 | Yes |
| Ms. Gargi Singh DIN: 08458152* | NEI | 4 | 3 | 3 | Yes |
| Mr. Mahabir Prasad Agrawal DIN: 00524341 | PD/NED | 4 | 4 | 4 | Yes |
| Dr. Kali Kumar Chaudhuri DIN: 00206157** | NEI | 4 | 1 | 1 | No |
| Mr. Karan Agrawal DIN: 05348309 | PD/WTD | 4 | 4 | 3 | Yes |
| Mr. Siddhartha Shankar Roy DIN: 08458092*** | NEI | 4 | 1 | 1 | Yes |

| Name of the Director | Category of Director# | Number of Board Meetings held during FY 2019-20 | Number of Board Meetings entitled to attend during FY 2019-20 | Number of Board Meetings attended during FY 2019-20 | Whether attended AGM held on 24 th September, 2019 |
|---|-----------------------|---|---|---|---|
| Mrs. Smita Khaitan DIN:01116869 **** | NEI | 4 | 1 | 1 | No |
| Mr. Sunil Kumar Agrawal DIN: 00091784 | PD/NED | 4 | 4 | 4 | Yes |
| Mr. Sushil Kumar Agrawal DIN: 00091793 | PD/MD | 4 | 4 | 4 | Yes |

#PD: Promoter Director; MD: Managing Director; NEI: Non Executive Independent Director, NED: Non-Executive Director, WTD: Whole Time Director

* Ms. Gargi Singh has been appointed as Non-Executive Independent Director w.e.f. 29th May, 2019.

**Dr. Kali Kumar Chaudhuri has resigned from the Directorship w.e.f. 19th June, 2019.

*** Mr. Siddhartha Shankar Roy has been appointed as Non-Executive Independent Director w.e.f. 29th May, 2019.

** Mrs. Smita Khaitan has resigned from the Directorship w.e.f. 4th June, 2019.

b) Number of Companies or Committees in which the Director of the Company is a Director/Member/Chairman:

| Name of the Director | No of the Directorships in all public companies* (including this company) | No of the Chairmanship in all public companies (including this company) | No of the Membership of the Board Committees in all Public Companies** (including this company) | No of the Chairmanship of the Board Committees in all Public Companies (including this company) | Name of listed entities where he/she is a Director and category of Directorship |
|----------------------------|---|---|---|---|--|
| Mr. Ajay Kumar Chakraborty | 4 | 2 | 3 | 2 | 1.Manaksia Aluminium Company Limited 2. Manaksia Steels Limited 3.Shreyans Industries Limited (Non-Executive Independent Directors in all the above Listed Companies) |
| Mr. Anirudha Agrawal | 2 | - | 1 | - | 1.Manaksia Aluminium Company Limited (Non-Executive Promoter Director) |
| Mr. Debasis Banerjee | 1 | - | - | - | - |
| Ms. Gargi Singh | 1 | - | 2 | - | - |
| Mr. Mahabir Prasad Agrawal | 1 | - | - | - | - |
| Mr. Karan Agrawal | 3 | - | - | - | - |
| Mr. Siddhartha Shankar Roy | 1 | - | 1 | 2 | - |

| Name of the Director | No of the Directorships in all public companies* (including this company) | No of the Chairmanship in all public companies (including this company) | No of the Membership of the Board Committees in all Public Companies** (including this company) | No of the Chairmanship of the Board Committees in all Public Companies (including this company) | Name of listed entities where he/she is a Director and category of Directorship |
|---------------------------------|---|---|---|---|---|
| Mr. Sunil Kumar Agrawal | 3 | - | 4 | - | 1. Manaksia Limited (Non-Executive Promoter Director) 2. Manaksia Aluminium Company Limited (Promoter & Managing Director) |
| Mr. Sushil Kumar Agrawal | 2 | - | 2 | - | - |

* Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.

** Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act. It only includes Audit Committee and Stakeholders Relationship Committee.

None of the above mentioned Directors of the Board hold Directorships in more than ten Public Companies. Further none of them is a member of more than ten Committees or Chairman of more than five Committees as specified in the Regulation 26 of the Listing Regulations, across all the Companies in which he/she is a Director. Necessary disclosures as required under the Act and Listing Regulations have been made by the Directors.

None of the Directors is acting as an Independent Director in more than seven listed Companies. All the Directors of the Company holds Directorship in compliance with Regulation 17A of Listing Regulations.

CORE SKILLS/EXPERTISE AND COMPETENCY AS REQUIRED BY THE BOARD TO FUNCTION EFFECTIVELY

The Directors of the Company comprises qualified members who bring in the required skills, experience, competence and expertise effectively contributing to the Board and Committee proceedings. The Board members are committed to ensure that the Board is in compliance with the highest standards of corporate governance. The list of core skills/ expertise/competencies identified by the board of directors as required in the context of its business and sector, for it to function effectively and those actually available with the board are mentioned below:

| Sl. No. | Nature of key skills, expertise and competence and attributes | Whether such key skills, expertise and competence and attributes are available with the Company's Board |
|---------|---|---|
| 1. | Domain expertise in areas of metal products, mosquito repellent coils, colour coating | Yes |
| 2. | Sound knowledge and expertise in Finance, Accounting & Taxation matters | Yes |
| 3. | Expertise in Legal, Compliance, Governance and Risk Management | Yes |
| 4. | Expertise in Business Development, Sales and Marketing | Yes |
| 5. | Leadership Qualities and Management Expertise | Yes |
| 6. | Expertise in Administration, Liasoning and Human Resource | Yes |
| 7. | 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. | Yes |

The identification of the core skills of individual Directors not only assist in ascertaining the specialisation of each Director but also helps in identifying the gaps in core skill required for effective functioning of the Company. Further, based on identified shortcomings, need based training can be provided to the Directors to ensure that they remain abreast of all developments, which otherwise may adversely impact their performance. The specific areas of focus or expertise of individual Board members have been highlighted in the table below. Absence of a tick mark (✓) against a Director's name only indicate that he/ she may not be having an expertise in the stated attribute or skill. It is important to acknowledge that not all Directors would possess each necessary skill, but the Board as a whole must possess them. It is also to be acknowledged that competencies are not static and need to be continually updated.

| Name of Director | Industry knowledge (Metals Product) | Leadership & Management | Financial, Accounting Taxation | Legal, Compliance, Governance and Risk Management | Administration, Liasoning and Human Resource | Shareholders' Interests | Board Governance & Ethics | Sales and Marketing |
|------------------------|-------------------------------------|-------------------------|--------------------------------|---|--|-------------------------|---------------------------|---------------------|
| Ajay Kumar Chakraborty | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | - |
| Anirudha Agrawal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Debasis Banerjee | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Gargi Singh | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | - |
| Karan Agrawal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mahabir Prasad Agrawal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Siddhartha Shankar Roy | ✓ | ✓ | ✓ | ✓ | - | ✓ | ✓ | - |
| Sunil Kumar Agrawal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sushil Kumar Agrawal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

DISCLOSURES OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

The following Directors are Relatives within the meaning of Section 2(77) of the Act:

| Sl. No. | Name of Directors | Name of Other Director | Name of Relationship |
|---------|----------------------------|----------------------------|----------------------|
| 1. | Mr. Mahabir Prasad Agrawal | Mr. Sushil Kumar Agrawal | Son |
| | | Mr. Sunil Kumar Agrawal | Son |
| 2. | Mr. Sushil Kumar Agrawal | Mr. Mahabir Prasad Agrawal | Father |
| | | Mr. Sunil Kumar Agrawal | Brother |
| | | Mr. Karan Agrawal | Son |
| 3. | Mr. Sunil Kumar Agrawal | Mr. Mahabir Prasad Agrawal | Father |
| | | Mr. Sushil Kumar Agrawal | Brother |
| | | Mr. Anirudha Agrawal | Son |
| 4. | Mr. Karan Agrawal | Mr. Sushil Kumar Agrawal | Father |
| 5. | Mr. Anirudha Agrawal | Mr. Sunil Kumar Agrawal | Father |

*No other Directors in the Board are related to each other.

SHARES/ CONVERTIBLE INSTRUMENTS HELD BY THE NON-EXECUTIVE DIRECTORS

The number of Shares held by Non Executive Directors as on 31st March, 2020 is as follows:

| Sl. No. | Name of Non- Executive Directors | No of Shares Held |
|---------|----------------------------------|-------------------|
| 1. | Mr. Sunil Kumar Agrawal | 12,379,620 |
| 2. | Mr. Mahabir Prasad Agrawal | 70,24,990 |
| 3. | Mr. Ajay Kumar Chakraborty | Nil |
| 4. | Ms. Gargi Singh | Nil |
| 5. | Mr. Siddhartha Shankar Roy | Nil |

INDEPENDENT DIRECTORS

The Company has 3 (Three) Independent Directors including one Woman Director on its Board out of the total strength of 9 (Nine) Directors. Mr. Ajay Kumar Chakraborty has been re-appointed for second term of 5 (Five) years from the conclusion of last AGM. Ms. Gargi Singh & Mr. Siddhartha Shankar Roy were appointed by the shareholders in the last AGM for a period of 5 (Five) consecutive years w.e.f. 29th May, 2019.

Mrs. Smita Khaitan and Dr. Kali Kumar Chaudhuri had resigned as Non-Executive Independent Director of the Board effective from 4th June, 2019 and 19th June, 2019 due to health reasons and to pursue other interests and commitments respectively. The Board places on record its deep appreciation for the services rendered by both the Directors during their tenure as Director and Member of various committees of the Board of Directors of the Company, and as per the confirmation received from both the Independent Directors that there are no other material reasons for their resignation other than those provided.

The Company ensures that the persons, who have been appointed as the Independent Directors of the Company, have the requisite qualifications and experience which they would continue to contribute and would be beneficial to the Company. In terms of requirement of Section 149(7) of the Act read with Rules made thereunder and Listing Regulations, Independent Directors have given declaration and the same has been noted in the Board meeting held on 23rd June, 2020 that they meet the criteria of independence as stated in Section 149(6) of the Act, and Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations.

In the opinion of the Board, all the Independent Directors on the board of the Company fulfils the conditions of independence specified in the Act and Listing Regulations and are independent of the management.

FORMAL LETTER OF APPOINTMENT

At the time of appointing of an Independent Director, a formal letter of appointment is given to him/her, which inter-alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the compliance required from him/her under the Companies Act, 2013, Listing Regulations and other relevant laws/regulations. The terms and conditions of their appointment is disclosed on the website of the Company at the following weblink, http://www.manaksiacoatedmetals.com/upload/media/management-team/Independent_Directors_Terms_Conditions-COATED_website.pdf

PERFORMANCE EVALUATION

• Board of Directors:

As per the applicable provisions of the Act and Listing Regulations and based on the Guidance Note on Board Evaluation of SEBI dated 5th January, 2017, the Board carries out an annual evaluation of its own performance, as well as the working of its Committees. The Board works with the Committee to lay down the criteria for the performance evaluation. The contribution and impact of individual Directors is reviewed through a peer evaluation on parameters such as level of engagement and participation, flow of information, independence of judgement, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. Feedback-cum-assessment of individual Directors, the Board as a whole and its Committees is conducted. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvement are put in place.

• Independent Directors:

Performance evaluation of Independent Directors was done by the entire Board of Directors excluding the Director being evaluated. On the basis of that evaluation the performance of the Independent Directors has been found satisfactory and the Board of Director were of the view that the performance of the Independent Directors is beneficial for the Company. The parameters used by the Board of Directors for the performance evaluation of Independent Directors:

- a) Roles and responsibilities to be fulfilled as an Independent Director.
- b) Participation in Board Processes.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the Financial Year 2019-20, as per the requirement of Schedule IV of the Act and the Listing Regulations, 1 (One) separate meeting of Independent Directors was held on 29th May, 2019 and all the Independent Directors were present.

The meeting was held without the presence of the Non-Independent Directors and the members of the management to discuss the following:

- a. Performance of Non-Independent Directors and the Board as a whole;
- b. Performance of the Chairman of the Company taking into account the views of Executive and Non-Executive Directors;
- c. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTOR

The Company has organised a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the operation of the Company, its business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new directors as well as other initiatives to update the directors on a continuing basis.

During the Financial Year 2019-20, two new Independent Directors were appointed on the Board of the Company. However, on an ongoing basis Independent Directors were updated on matters inter-alia covering the Company's businesses & operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters (familiarization programmes). The details of Familiarization programme for Independent Directors is provided at the following weblink: http://www.manaksiacoatedmetals.com/pdf/familiarization_programme_for_independent_directors-26062019.pdf

1. BOARD COMMITTEES

The Board of Directors of the Company play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate. The Company has 3(Three) Board level committees:

- (a) Audit Committee
- (b) Nomination & Remuneration Committee
- (c) Stakeholders' Relationship Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms and reference for members of various committees. The minutes of all the Committee meetings are placed before the Board and noted by the Directors present at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during Financial Year 2019-20 are as follows:

A. AUDIT COMMITTEE

The Company has in place a qualified and Independent Audit Committee. The committee has been constituted in accordance with the provisions of Section 177 of the Act read with Rules made thereunder and Regulation 18 of the Listing Regulations.

The Audit Committee reviews the information as per the requirement of Regulation 18(3) of the Listing Regulations read with Section 177 of the Act.

Terms of Reference

The terms of reference of the Audit Committee are in line with the guidelines set out in the Act and Listing Regulations and include the following:

- (1) to oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) to recommend for appointment, remuneration and terms of appointment of auditors;
- (3) to approve payment to statutory auditors for any other services rendered by the statutory auditors;

- (4) to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- (5) to review with the management, the quarterly financial statements before submission to the board for approval;
- (6) to review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) to review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (8) to approve or subsequently modify the transactions with related parties including omnibus approvals;
- (9) to scrutinize inter-corporate loans and investments;
- (10) to undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) to evaluate internal financial controls and risk management systems;
- (12) to review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) to review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) to discuss with internal auditors of any significant findings and follow up there on;
- (15) to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) to 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;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) to approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 10 crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision
- (21) to perform any other activity consistent with these terms of reference and applicable laws that the Committee deems necessary or appropriate or as may be requested by the Board from time to time.

In addition to the above the Audit Committee mandatorily review's the following:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

Composition

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of the Listing Regulations and Section 177 of the Act. All members of the Audit Committee have the ability to read and understand the financial statements.

As on 31st March, 2020, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Executive Director. The Chairman of the Committee is an Independent Director. The composition consists of Mr. Ajay Kumar Chakraborty (Chairman), Ms. Gargi Singh, Mr. Siddhartha Shankar Roy and Mr. Sushil Kumar Agrawal are members of the Committee. The Company Secretary, Ms. Sailja Gupta acts as Secretary to the Committee. During, the FY 2019-20, the Committee was reconstituted from time to time, considering the provisions of the Act and Listing Regulations.

Generally, the Statutory Auditors, Internal Auditors, Chief Financial Officer were invited to the Audit Committee Meetings, as and when required.

All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

Meetings and Attendance

During the year under review, 4 (Four) meetings of Audit Committee meetings were held. The dates on which the Audit Committee meetings were held are 29th May, 2019, 14th August, 2019, 8th November, 2019 and 7th February, 2020. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2019-20 | |
|-----------------------------|---|-------------------|
| | Meetings held during the year/tenure | Meetings Attended |
| Mr. Ajay Kumar Chakraborty | 4 | 3 |
| Ms. Gargi Singh* | 3 | 3 |
| Dr. Kali Kumar Chaudhuri** | 1 | 1 |
| Mr. Siddhartha Shankar Roy* | 3 | 3 |
| Mr. Sushil Kumar Agrawal | 4 | 4 |

* Ms. Gargi Singh & Mr. Siddhartha Shankar Roy were appointed w.e.f. 29th May, 2019

**Dr. Kali Kumar Chaudhuri resigned w.e.f. 19th June, 2019

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 24th September, 2019.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations.

Terms of reference

The terms of reference of the Nomination & Remuneration Committee are in line with the guidelines set out in the Act read with Rules made thereunder and Listing Regulations and include the following:

1. to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. to formulate criteria for evaluation of Independent Directors and the Board of Directors;
3. to specify the manner for effective evaluation of performance of Board, its committees and individual directors;
4. to review the implementation and compliance of evaluation of performance of Board, its committees and individual directors;
5. to devise a policy on diversity of Board of Directors;
6. to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
7. to decide whether to extend or continue the terms of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
8. to recommend all remuneration payable to Senior Management in whatever form;
9. to perform any other activity consistent with these terms of reference and applicable laws that the Committee deems necessary or appropriate or as may be requested by the Board from time to time.

Composition

As on 31st March, 2020, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Non-Executive Director. The Chairman of the Committee is an Independent Director. Mr. Siddhartha Shankar Roy (Chairman), Mr. Ajay Kumar Chakraborty, Ms. Gargi Singh and Mr. Sunil Kumar Agrawal are members of the Committee. The Company Secretary, Ms. Sailja Gupta acts as Secretary to the Committee. During, the FY 2019-20, the Committee was reconstituted from time to time, considering the provisions of the Act and Listing Regulations.

The composition of the Committee is in line with the requirement given in Section 178 of the Act and Regulation 19 of the Listing Regulations.

Meeting and Attendance

During the year under review, 2 (Two) meetings of Nomination & Remuneration Committee were held. The dates on which the Nomination & Remuneration Committee meetings were held are 29th May, 2019 and 14th August, 2019. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2019-20 | |
|-----------------------------|---|-------------------|
| | Meetings held during the year/tenure | Meetings attended |
| Dr. Kali Kumar Chaudhuri* | 1 | 1 |
| Mr. Ajay Kumar Chakraborty | 2 | 2 |
| Ms. Gargi Singh** | 1 | 1 |
| Mr. Siddhartha Shankar Roy* | 1 | 1 |
| Mr. Sunil Kumar Agrawal | 2 | 2 |

*Dr. Kali Kumar Chaudhuri resigned w.e.f. 19th June, 2019

**Ms. Gargi Singh & Mr. Siddhartha Shankar Roy were appointed w.e.f. 29th May, 2019

The Chairman of the Nomination & Remuneration Committee attended the last AGM held on 24th September, 2019.

Remuneration Policy

The Managing Director and Whole-time Directors are paid remuneration as per their agreements with the Company. These agreements are approved by the Board and also placed before the shareholders for their approval. The remuneration structure of the Managing Director and the Whole-time Director comprises salary, perquisites, other benefits which are within the limits prescribed under the Act. The Managing Director and Whole-time Director are not paid sitting fee for attending Meetings of the Board or Committees thereof.

The Directors are not entitled to any other benefits, bonuses, pension etc. and are also not entitled to performance linked incentives. The Company does not have any Employee Stock Option Scheme.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof as per the prescribed limit under the applicable law. The sitting fees paid to the Non-Executive Directors for attending the meetings of the Board and Audit Committees is ₹ 12500/- per meeting and for attending Other Committee meetings is ₹ 5000/- per meeting for the Meetings held till 29th May, 2019. The sitting fees paid to the Non-Executive Directors however was revised with the consent of all the Directors present at the Board Meeting held on 29th May, 2019 for meetings thereafter from ₹ 12,500/- to ₹ 5,000/- for attending Board and Audit Committees per meeting and for attending other Committee meetings from ₹ 5,000/- to ₹ 1,000/- per meeting. The remuneration paid to the Executive Directors is within the limits approved by the Shareholders of the Company.

Details of Remuneration paid to Directors for the Financial Year ended 31st March, 2020

| Name of the Director | Service Contract/Notice Period | Salary (₹ in Lacs)* | Sitting fees (₹ in Lacs)* |
|----------------------------|---|------------------------|------------------------------|
| Mr. Sushil Kumar Agrawal | Re-appointed as Managing Director for a period of 3 (Three) years w.e.f. 23/11/2017 | 126.00 | - |
| Mr. Karan Agrawal | Re-appointed as Whole-time Director for a period of 3 (Three) years w.e.f. 17/11/2017 | 120.00 | - |
| Mr. Anirudha Agrawal | Re-appointed as Whole-time Director for a period of 3 (Three) years w.e.f. 17/11/2017 | 120.00 | - |
| Mr. Debasis Banerjee | Re-appointed as Whole-time Director for a period of 3 (Three) years w.e.f. 02/08/2018 | 9.75 | - |
| Mr. Ajay Kumar Chakraborty | Re-appointed as Non-Executive Independent Director for a second term of 5 (Five) years w.e.f. 24/09/2019 | - | 0.520 |
| Dr. Kali Kumar Chaudhuri | Appointed as Non-Executive Independent Director for a period of 5 (Five) years w.e.f. 17/11/2014 and resigned from Directorship w.e.f. 19/06/2019 | - | 0.360 |
| Mrs. Smita Khaitan | Appointed as Non-Executive Independent Director for a period of 5 (Five) years w.e.f. 17/11/2014 and resigned from Directorship w.e.f. 04/06/2019 | - | 0.135 |
| Mr. Sunil Kumar Agrawal | Appointed as Non-Executive Director w.e.f. 17/11/2014 | - | 0.385 |
| Mr. Mahabir Prasad Agrawal | Appointed as Non-Executive Director w.e.f. 16/05/2016 | - | 0.275 |
| Ms. Gargi Singh | Appointed as Non-Executive Independent Director for a period of 5(Five) year w.e.f 29/05/2019 | - | 0.310 |
| Mr. Siddhartha Shankar Roy | Appointed as Non-Executive Independent Director for a period of 5(Five) year w.e.f 29/05/2019 | - | 0.310 |

*No Commission, Perquisites and other allowances were paid to Directors during the year 2019-20.

The agreements entered into with the Managing Director/Whole-time Director(s) are for a period of 3 (Three) years from the respective dates of appointment/ re-appointment. Notice period of each of such Directors is 3 (Three) months. The sitting fees include fees paid for committee meetings. The Company does not pay any performance incentives or severance fees. Apart from the above mentioned remuneration, the Company had no pecuniary relationship or transactions with the Non-Executive Directors during the Financial Year 2019-20.

None of the Directors hold any stock options in the Company.

Neither the Managing Director nor the Whole-time Directors of the Company receive any commission from the Company, nor do they receive any remuneration or commission from its holding Company or subsidiary Company.

The criteria for making payment to Non-Executive Directors is a part of the Remuneration Policy which forms the part of the Directors' Report. The Nomination and Remuneration Policy may be accessed at the Company's website at the link: http://www.manaksiacoatedmetals.com/pdf/Remuneration-Policy_Manaksia-Coated-Metals-Industries-Limited_29-05-2019.pdf

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Act read with Rules made thereunder and Regulation 20 of the Listing Regulations.

The Stakeholders Relationship Committee is responsible to oversee investor's relations, redressal of investor's grievances, transfer/transmission of shares, issue of duplicate shares and other shareholder's related matters.

Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee are in line with the guidelines set out in the Act and Listing Regulations and include the following:

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

Composition

As on 31st March, 2020, the Committee comprised of 1 (One) Independent Director, 1 (One) Executive Director and 1 (One) Non-Executive Director. Mr. Siddhartha Shankar Roy (Chairman), Mr. Sushil Kumar Agrawal and Mr. Sunil Kumar Agrawal are members of the Committee. Ms. Sailja Gupta, Company Secretary of the Company acts as Secretary to the Committee. During, the FY 2019-20, the Committee was reconstituted from time to time, considering the provisions of the Act and Listing Regulations.

Meeting and Attendance

1 (One) Stakeholders Relationship Committee meeting was held during the year. The date on which the Stakeholders Relationship Committee meeting was held is 29th May, 2019. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2019-20 | |
|---------------------------|---|----------|
| | Held | Attended |
| Dr. Kali Kumar Chaudhuri* | 1 | 1 |
| Mr. Sushil Kumar Agrawal | 1 | 1 |
| Mr. Sunil Kumar Agrawal | 1 | 1 |

* Dr. Kali Kumar Chaudhuri resigned w.e.f 19th June, 2019.

Investors' Complaints

Details of Investors Complaints received and redressed during the Financial Year 2019-20.

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| Nil | Nil | Nil | Nil |

It is the endeavour of the Company to attend investors' complaints and other correspondence within 15 days except where constrained by disputes or legal impediments. In terms of SEBI circular the Company has obtained necessary SCORES (SEBI Complaints Redressal System) authentication. This has facilitated the investors to view online status of the action taken against the complaints made by logging on to SEBI's website www.sebi.gov.in.

Ms. Sailja Gupta, Company Secretary of the Company has been designated as Compliance Officer in terms of Regulation 6 of the Listing Regulations for speedy redressal of the Investor complaints. The Company affirms that no shareholder's complaint were registered on SCORES against the Company during the Financial Year 2019-20.

D. OTHER COMMITTEES:

Apart from the above statutory Committees, the Board of Directors has constituted inter-alia to deal with the day to day business exigencies of the Company.

i. COMMITTEE OF DIRECTORS

The Board of Directors has constituted Committee of Directors for the purpose of business exigencies, when Board Meeting cannot be called upon.

Terms of Reference:

The function of the said Committee is as provided under the Act. The details of the terms of reference of the Committee of Directors is as under:

- to borrow monies;
- to invest the funds of the Company;
- to grant Loans or give Guarantees or provide Security in respect of loans.
- to execute all other operational function not restricted under the Companies Act, 2013 and/or Secretarial Standard-1.

Composition:

As on 31st March, 2020, Mr. Sunil Kumar Agrawal, Mr. Mahabir Prasad Agrawal and Mr. Sushil Kumar Agrawal are the Members of the Committee. Mr. Sunil Kumar Agrawal was elected as the Chairman of the Committee by the other members.

Meeting and Attendance

During the year under review, 1 (One) meeting of Committee of Directors was held on 20th September, 2019. The details of attendance of members are as under:

| Name of the Member | No. of meetings during the year 2019-20 | |
|----------------------------|---|-------------------|
| | Meetings held during the year/tenure | Meetings attended |
| Mr. Sunil Kumar Agrawal | 1 | 1 |
| Mr. Sushil Kumar Agrawal | 1 | 1 |
| Mr. Mahabir Prasad Agrawal | 1 | 1 |

4. CODE OF CONDUCT

The Company has adopted “Code of Conduct” for Board Members and Senior Management of the Company. The Code anchors ethical and legal behaviour within the organisation. The Code is available on website of the Company; weblink thereto <http://www.manaksiacoatedmetals.com/images/pdf/coc/code-of-conduct-business-ethics-coated.pdf>

All Board members and Senior Management Executives have affirmed compliance with the said Code of Conduct for the FY 2019-20. An annual declaration signed by the Managing Director to this effect is enclosed at the end of the Report.

Pursuant to the provisions of Section 149(8) of the Act, the Independent Directors shall abide by the provisions specified in Schedule IV to the Act, which lay down a code for Independent Directors. The said Schedule forms part of the appointment letter of the Independent Directors, which has been placed on the website of the Company.

5. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In accordance with the provisions of SEBI (Prohibition of Insider trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the revised ‘Code of Conduct to Regulating, Monitoring, and Reporting of Trading by Insiders’ and ‘Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information’ with a view to regulate trading in securities of the Company by insiders.

The Code prohibits the insiders from dealing in the securities of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The Code also provides for periodical disclosures from designated persons as well as pre-clearance of transactions (above threshold) by such persons so that they may not use their position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

The details of dealing in Company’s shares by Directors, Designated Persons, Officers and Connected Persons are placed before the Board at its next meeting. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

The said code also contains ‘Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information’ in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code aims to formulate a stated framework and policy for fair disclosure of events and occurrences that could impair of the Company’s securities. The Company endeavours to preserve the confidentiality of Unpublished price sensitive information and to prevent misuse of such information. The code also contains Policy and procedures for inquiry in case of leak of Unpublished price sensitive information. The Copy of the Code is accessible on the Company’s website at http://www.manaksiacoatedmetals.com/pdf/Code_of_Conduct_to_regulate_monitor_and_report_trading_by_Insiders_coated.pdf

6. GENERAL BODY MEETINGS

(A) Annual General Meetings :

The location and time of last three AGMs held is as under:

| No. | Financial Year/ Time | Date | Venue | No. of Special Resolution passed |
|---------|------------------------|------------|--|----------------------------------|
| 9th AGM | 2018-19 12:30 P.M. | 24.09.2019 | Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Belvedere Road, Kolkata- 700 027 | 1 |
| 8th AGM | 2017-18 02:30 P.M. | 27.09.2018 | Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Belvedere Road, Kolkata- 700 027 | 3 |
| 7th AGM | 2016-17 02 :30 P.M. | 22.09.2017 | Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Belvedere Road, Kolkata- 700 027 | 3 |

(B) Extra-Ordinary General Meeting :

During the Financial Year 2019-20, no Extra Ordinary General Meeting of the Company was held.

(C) Special resolution through Postal Ballot :

No Special Resolution is proposed to be passed through Postal Ballot in the ensuing Annual General Meeting.

During the year under review, approval of shareholders of the Company were not sought through Postal Ballot.

7. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed, M/s Deepak Khaitan & Co., Practicing Company Secretaries, to conduct Secretarial Audit of the company for the FY 2019-20.

The Company has undertaken Secretarial Audit for the year 2019-20 which, inter-alia, includes audit of compliances with the Companies Act, 2013, and the Rules made thereunder, the Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India, Foreign Exchange Management Act, 1999 and other applicable laws, if any.

8. SECRETARIAL COMPLIANCE REPORT

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR-3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of Mr. Pravin Kumar Drolia, Proprietor of M/s. Drolia & Company, Practicing Company Secretaries (CP No. 1362) for providing this certification.

9. MEANS OF COMMUNICATION

The Company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures are an indicator of the Company's good corporate governance practices.

a. Publication of quarterly results :

The quarterly/half yearly/annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered and approved by the Board of Directors and are published in prominent newspapers usually in 'Business Standard'/'Financial Express' in English and 'Ekdin' in Bengali.

b. Website and News Releases :

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website i.e. www.manaksiacoatedmetals.com gives information on various announcements made by

the Company, status of unclaimed dividend, if any, Annual Report Quarterly/Half yearly/Nine-months and Annual financial results along with applicable policies of the Company. The Company has not made any presentation to the institutional investors/analysts during the Financial Year 2019-20.

c. Stock Exchange :

The Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

NSE Electronic Application Processing System (NEAPS) is a web-based application designed by NSE for corporate. BSE Corporate Compliance & the Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically.

d. Emails :

As mandated by Ministry of Corporate Affairs (MCA), the Company will send Annual Report, Notices, etc to the shareholders at their email address registered with their Depository Participants and /or Company's Registrar and Share Transfer Agent (RTA). To continue its support to the GREEN INITIATIVES measures of MCA, the Company has requested and sent reminders to shareholders to register and /or update their email - address with the Company's RTA, in case shares held in physical mode and with their respective Depository Participants, in case of shares held in dematerialized mode.

During the year under review, there were neither such requirement to display any official news releases nor any presentation were made to institutional investors or to the analysts

10. GENERAL SHAREHOLDER INFORMATION

a) Corporate Identification Number (CIN) : L27100WB2010PLC144409

b) Registered Office : 8/1 Lal Bazar Street, Bikaner Building, 3rd Floor, Kolkata- 70001

c) Annual General Meeting : **Date :** Thursday, 24th September, 2020
Time : 04: 30 p.m.

d) Dates of Book Closure : Friday, 18th September, 2020 to Thursday, 24th September, 2020 (both days inclusive)

e) Financial Calendar : The financial year of the Company is from 1st April to 31st March. The Financial results for the FY 2020-21 will be declared as per the following tentative schedule:

| Particulars | Schedule |
|---|--|
| Quarter ended 30th June 2020 | On or before 14th August, 2020 (Tentative) |
| Quarter ending 30th September 2020 | On or before 14th November, 2020 (Tentative) |
| Quarter ending 31st December 2020 | On or before 14th February, 2021 (Tentative) |
| Annual Results of 2020-21 | On or before 30th May, 2021 (Tentative) |

f) Dividend Payment: The Board of Directors of the Company do not recommend any dividend on Equity Shares for the Financial Year 2019-20.

g) Listing on Stock Exchanges:

| | |
|---|---|
| National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block "G" Bandra Kurla Complex, Bandra East, Mumbai - 400051 | BSE Limited (BSE) PhirozeJeejeebhoy Towers Dalal Street, Mumbai- 400001 |
|---|---|

The annual listing fees have been paid to the Stock Exchanges for the year 2020-21.

h) Stock Code: ISIN No.: **INE830Q01018**National Stock Exchange of India Limited: **MANAKCOAT**BSE Limited: **539046****i) Custodial Fees to Depositories:** Annual Custody/Issuer fee for the year 2020-21 has been paid to CDSL & NSDL.**j) Unclaimed shares lying in the Demat Suspense Account:**

Pursuant to Regulation 39 of the Listing Regulations, 2015 the Company has opened a separate demat account in the name of "Manaksia Coated Metals & Industries Limited-Suspense Account" in order to credit the unclaimed shares of the IPO of Manaksia Limited which could not be allotted to the rightful shareholders due to insufficient/incorrect information or for any other reason. The voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares. In terms of requirement of Listing Regulations, the details of shares lying in the aforesaid demat account are as:

| Particulars | No. of Shares * | No. of shareholders |
|---|-----------------|---------------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2019 | 3149 | 36 |
| Number of shareholders who approached Company for transfer of shares from suspense account during the year. | - | - |
| Number of shareholders to whom shares were transferred from suspense account during the year. | - | - |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2020 | 3149 | 36 |

* The Voting rights on these shares shall remain frozen till the rightful owners of such shares claim the shares.

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

k) Share Transfer System :

The activities and compliance related to share transfer is managed by M/s Link Intime India Private Limited, Registrar & Transfer Agent (RTA) of the Company.

A summary of transfer, transmissions, dematerialization, re-materialization, etc. is placed before the Board, whenever required. The Company obtains half-yearly certificate from a Company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations.

The Company also obtains a compliance certificate under Regulation 7(3) of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent and files the same with the Stock Exchanges on a half yearly basis.

Reconciliation of Share Capital Audit is conducted every quarter by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The report is submitted to the stock exchanges and is also placed before the Board of Directors.

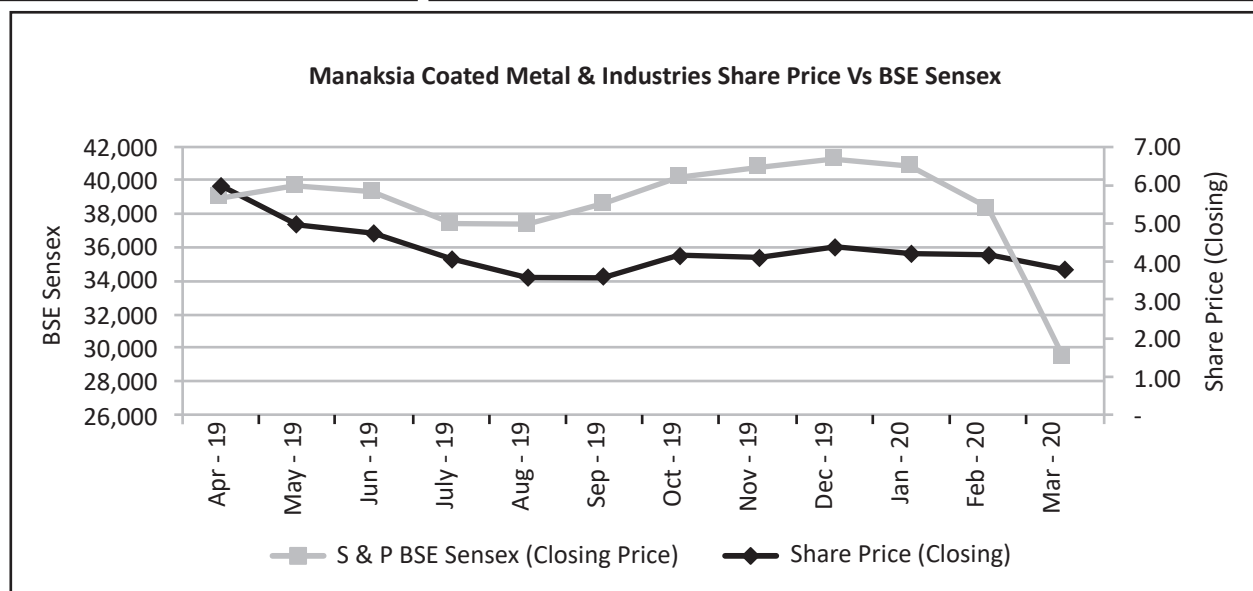
Effective 1st April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission of securities. According to this amendment, the request for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a depository except in case of transmission or

transposition of securities. The Company has issued letters to the shareholders holding shares in physical form informing them about the said amendments and requesting them for converting their physical shares into demat form. A guidance note on procedure of dematerialization of shares of the Company is also hosted on the Company's website for ease of understanding of the shareholders and can be viewed at <http://www.manaksiacoatedmetals.com/pdf/Guidance-Note-on-Dematerialisation-of-shares-held-in-physical-form-07082019.pdf>

I) Market Price Data:

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE during the Financial Year 2019-20 are given hereunder:

| Month | BSE Limited (BSE) | | | National Stock Exchange of India Limited (NSE) | | |
|-----------------|-------------------|---------|-------------------------------|--|---------|-------------------------------|
| | High (₹) | Low (₹) | Total Number of Shares Traded | High (₹) | Low (₹) | Total Number of Shares Traded |
| April, 2019 | 6.99 | 5.25 | 25,588 | 6.50 | 5.25 | 1,43,212 |
| May, 2019 | 5.99 | 3.90 | 56,474 | 5.80 | 3.75 | 1,54,448 |
| June, 2019 | 5.79 | 4.15 | 15,774 | 5.65 | 4.00 | 1,01,369 |
| July, 2019 | 4.72 | 3.98 | 11,423 | 4.35 | 3.60 | 1,00,767 |
| August, 2019 | 5.50 | 3.62 | 34,444 | 5.45 | 3.75 | 1,21,402 |
| September, 2019 | 4.00 | 3.37 | 20,842 | 4.05 | 3.50 | 7,98,780 |
| October, 2019 | 4.95 | 3.73 | 16,936 | 5.30 | 3.70 | 3,32,019 |
| November, 2019 | 4.23 | 3.80 | 21,683 | 4.25 | 3.70 | 53,194 |
| December, 2019 | 4.75 | 3.60 | 21,983 | 4.80 | 3.55 | 1,79,494 |
| January, 2020 | 4.83 | 3.98 | 19,33,857 | 4.95 | 3.80 | 41,73,311 |
| February, 2020 | 4.35 | 3.24 | 11,427 | 4.10 | 3.00 | 4,28,617 |
| March, 2020 | 4.48 | 3.42 | 93,443 | 4.25 | 2.50 | 2,79,452 |



m) Registrar and Share Transfer Agent (RTA):

Link Intime India Private Limited is acting as the Registrar and Share Transfer Agent of the Company.

The address of the Registrar is given hereunder:

Link Intime India Private Limited

Vaishno Chambers, 6 Brabourne Road,

Flat No. 502 & 503, 5th Floor, Kolkata - 700 001

Tel : +91 33 4004 9728, Fax : +91 33 4073 1698

Contact Person: Mr. S P Guha, Email id: kolkata@linkintime.co.in

n) Distribution of Equity Shareholding as on 31st March, 2020

| No. of Equity shares held | Shareholders | | Shares | |
|---------------------------|---------------|-----------------|--------------------|-----------------|
| | Number | % Total Holders | Number | % Total Capital |
| From – To | | | | |
| 1 – 500 | 19,620 | 92.031 | 19,38,532 | 2.958 |
| 501 – 1000 | 710 | 3.330 | 5,91,332 | 0.902 |
| 1001 – 2000 | 398 | 1.867 | 6,17,938 | 0.943 |
| 2001 – 3000 | 169 | 0.793 | 4,32,828 | 0.660 |
| 3001 – 4000 | 73 | 0.342 | 2,62,509 | 0.401 |
| 4001 – 5000 | 63 | 0.295 | 2,97,622 | 0.454 |
| 5001 – 10000 | 111 | 0.521 | 8,37,366 | 1.278 |
| 10001 – and above | 175 | 0.821 | 6,05,55,923 | 92.404 |
| TOTAL | 21,319 | 100 | 6,55,34,050 | 100 |

o) Categories of Equity Shareholders as on 31st March, 2020

| Sl. No. | Category | No. of Shares | % of Shareholdings |
|---------|--|--------------------|--------------------|
| 1 | Promoters Group | 4,40,44,440 | 67.208 |
| 2 | Mutual Funds & UTI | Nil | Nil |
| 3 | Financial Institutions/Banks | 1,056 | 0.002 |
| 4 | Central Government/State Government(s) | Nil | Nil |
| 5 | Venture Capital Fund | Nil | Nil |
| 6 | Foreign Institutional Investors | Nil | Nil |
| 7 | Foreign Venture Capital Investors | Nil | Nil |
| 8 | Bodies Corporate | 92,85,133 | 14.168 |
| 9 | Public | 1,09,78,841 | 16.753 |
| 10 | NRI's/OCB's/Foreign National | 3,34,880 | 0.511 |
| 11 | Clearing Member | 2,633 | 0.004 |
| 12 | HUF | 8,87,087 | 1.354 |
| 13 | NBFC's registered with RBI | Nil | Nil |
| | TOTAL | 6,55,34,050 | 100 |

The Non Promoter shareholding is in compliance with the Listing Regulations.

p) Dematerialization of Equity Shares:

The shares of the Company are currently traded only in dematerialized form and the Company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE830Q01018. 99.99% of the Company's equity shares are held in dematerialized form as on 31st March, 2020 details of which is given below:

| Nature of holding | No. of shares | Percentage (%) |
|-------------------|--------------------|----------------|
| Demat | 6,55,33,030 | 99.999 |
| -NSDL | 5,52,68,497 | 84.336 |
| -CDSL | 1,02,64,533 | 15.663 |
| Physical | 1,020 | 0.001 |
| Total | 6,55,34,050 | 100.00 |

q) Outstanding GDRs/ADRs/Warrants/Other Convertible instruments: The Company has not issued Global Depository Receipts (GDR)/American Depository Receipts (ADR)/ Warrants or any other convertible instruments during the year.

r) Commodity Price Risk and Hedging Activities:

The Company considers exposure to commodity price fluctuations to be an integral part of its business and its usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements. The Company's reputation for quality, products differentiation and service, coupled with existence of brand image with marketing network mitigates the impact of price risk on finished goods

s) Plants Locations (Manufacturing Units as on 31st March 2019):

| | |
|---|---|
| Plot No. 24A and 25, Miyapur Industrial Estate, Medak, Telangana. Pin Code- 502 325 | 9 & 12 A-1, New Industrial Area, Gohargung, Mandideep, Raisen, Bhopal Pin code – 462 046. |
| E.P.I.P. Aminmngoan, Guwahati, Assam, Pin Code- 781 024 | Survey No. 396, Vilaage- Chandrami Talluka- Anjar, Dist- Kutch, Gujarat- 370 110 |

t) Address for Correspondence : Manaksia Coated Metals & Industries Limited
8/1, Lalbazar Street,
Bikaner Building, 3rd Floor, Kolkata – 700 001
Phone No.: +91-33-2243 5053
Email: investorrelmcmil@manaksia.com
Website: www.manaksiacoatedmetals.com

u) In case the securities of the Company are suspended from trading, the reasons thereof:

The securities of the Company were available for trading on NSE & BSE throughout the year and were not suspended for any period.

v) Credit Ratings:

The Credit rating obtained by the Company is ACUITE A- for Long term instruments and ACUITE A2+ for Short term instruments.

11. OTHER DISCLOSURES

i) Subsidiary Companies :

The Company has 2 (Two) Wholly-owned Subsidiary Companies namely Manaksia International FZE, UAE and JPA Snacks Private Limited, India. During the year under review, Manaksia International FZE has become the material subsidiary according to the net worth threshold of Regulation 16 of the Listing Regulations. Synopsis of the minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on periodical basis. The Audit Committee reviews the financial statements including investments by the unlisted subsidiaries of the Company.

The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiary, if any.

The Policy for determining material subsidiaries has been uploaded and can be accessed on the Company's website at the following link: http://www.manaksiacoatedmetals.com/pdf/Policy-on-Material-Subsidiary_Coated.pdf

ii) Whistle Blower Policy :

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy of the Company is available on the Company's website at the following weblink http://www.manaksiacoatedmetals.com/pdf/22_03_16/Whistle_Blower_Policy_Coated_Final_22316.pdf

iii) Related Party Transactions :

There were no materially significant related party transactions, which may have potential conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. All the transactions with related parties has been made at arm's length basis and in the ordinary course of business pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014. The related party transaction policy which includes the policy on materiality of related party transactions can be accessed at http://www.manaksiacoatedmetals.com/pdf/22_03_16/Policy_on_Related_Party_Transaction_Coated_Final_22316.pdf

iv) Details Of Non Compliance by the Company :

The Company has complied with all the requirements of regulatory authorities. There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority in this regard during the last 3 (Three) years.

v) Compliance with Mandatory Requirements and adoption of Non-mandatory requirements :

The Company has complied with all applicable mandatory requirements and had adopted all the non-mandatory requirements of the Listing Regulations as applicable to the Company.

vi) Details of Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of the Listing Regulations :

The Company has not raised funds through preferential allotment or qualified institutional placement.

vii) Certificate from Practicing Company Secretary :

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Pravin Kumar Drolia (CP No. 1362), Proprietor of M/s. Drolia & Company, 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 the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 14th August, 2020.

viii) Recommendations of the Committees of the Board :

There were no instances during the Financial Year 2019-20, wherein the Board had not accepted recommendations made by any committee of the Board.

ix) Total fees paid to Statutory Auditors :

During the Financial Year 2019-20, the following consolidated fees were made to the Statutory Auditors of the Company and its subsidiaries respectively:

| Sl. No | Name of the Company | Name of the Auditor | Fees paid |
|--------|---|-------------------------------------|---|
| 1. | Manaksia Coated Metals & Industries Limited | M/s. S. Bhalotia & Associates | - Audit Fees: ₹ 6,00,000 - Tax: ₹ 50,000 |
| 2. | JPA Snacks Private Limited | M/s. S. Bhalotia & Associates | ₹ 75,000 |
| 3. | Manaksia International FZE | M/s. Al Needaa Auditing Accountants | AED 3,150 |

x) Disclosure Relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the Financial Year 2019-20 are as under:

- a) Number of complaints filed during the Financial Year: NIL
- b) Number of complaints disposed of during the financial year: NIL
- c) Number of complaints pending as on end of the financial year: NIL

xi) Accounting Treatment :

In preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Indian Accounting Standards (IND AS) laid down by the Institute of Chartered Accountants of India (ICAI).

xii) Foreign Exchange Risk :

The Company does not speculate in foreign exchange. The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's risk management policy approved by the Board.

xiii) Website :

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website (www.manaksiacoatedmetals.com). The section on 'Investors' on the website serves to inform the members by giving complete financial details, annual reports, shareholding patterns and such other information relevant to shareholders.

xiv) Compliance Officer :

Ms. Sailja Gupta, Company Secretary of the Company was designated as the Compliance Officer for complying with the requirements of Securities Laws and the Listing Regulations.

12. COMPLIANCE WITH THE GOVERNANCE FRAMEWORK

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

The Company has complied with all the applicable requirements of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.

MANAGING DIRECTOR & CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have given a certificate to the Board of Directors of the Company under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2020. The said certificate forms part of this Annual Report.

Pursuant to Regulation 33 of the Listing Regulations, the Managing Director and Chief Financial Officer also give the quarterly certification on financial results while placing the same before the Board.

COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditor M/s. S. Bhalotia & Associates, confirming compliance with conditions of Corporate Governance as stipulated in the Listing Regulations forms part of the Annual Report.

STATUS OF COMPLIANCE WITH NON STATUTORY RECOMMENDATIONS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

- **Non-Executive Chairman's Office:** The Company maintains a separate office of Non-Executive Independent Chairman and provides for reimbursement of expenses incurred in performance of his duties.
- **Shareholders' Rights:** As the quarterly, half yearly and annual financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- **Modified Opinion in Auditors Report:** The Company's financial statement for the Financial Year 2019-20 does not contain any modified audit opinion.
- **Separate posts of Chairman and Managing Director:** The position of the Chairman is held by Mr. Ajay Kumar Chakraborty and of the Managing Director is held by Mr. Sushil Kumar Agrawal.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 14th August, 2020

Sushil Kumar Agrawal
(Managing Director)
(DIN: 00091793)

Karan Agrawal
(Whole-time Director)
(DIN:05348309)

CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the persons concerned for the Financial Year ended 31st March, 2020.

Place: Kolkata
Date: 23rd June, 2020

Sushil Kumar Agrawal
(Managing Director)
DIN: 00091793

MD/CFO CERTIFICATION

The Board of Directors
Manaksia Coated Metals & Industries Limited

Dear Sirs,

We have reviewed the Financial Statements and the Cash Flow Statement of Manaksia Coated Metals & Industries Limited ('the Company') for the Financial Year ended 31st March, 2020 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 Company'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 Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company 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 we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Manaksia Coated Metals & Industries Limited**

Date: 23rd June, 2020
Place: Kolkata

Sushil Kumar Agrawal
(Managing Director)
DIN: 00091793

Mahendra Kumar Bang
(Chief Financial Officer)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of
Manaksia Coated Metals & Industries Limited

We have examined the compliance of conditions of Corporate Governance by Manaksia Coated Metals & Industries Limited ('the Company'), for the year ended 31st March, 2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

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

For **S. Bhalotia & Associates**
Chartered Accountants
ICAI Firm Registration No-325040E

(Ankit Santhalia)
Partner

Place: Kolkata
Dated: 14th August, 2020

Membership No: 301737
UDIN : 20301737AAAACC9344

CERTIFICATE ON 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,
MANAKSIA COATED METALS & INDUSTRIES LIMITED
BIKANER BUILDING, 3RD FLOOR
8/1, LAL BAZAR STREET,
KOLKATA - 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MANAKSIA COATED METALS & INDUSTRIES LIMITED having (CIN:L27100WB2010PLC144409), and having registered office at Bikaner Building, 3rd Floor, 8/1, Lal Bazar Street, Kolkata-700001 and (herein referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we here by 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 the Companies by the SEBI, MCA or other Statutory Authority as the case may be.

| DIN | Name of the Director | Designation | Date of Appointment |
|----------|----------------------------|---------------------|---------------------|
| 00091784 | Sri Sunil Kumar Agrawal | Director | 17/11/2014 |
| 00091793 | Sri Sushil Kumar Agrawal | Managing Director | 10/01/2013 |
| 00133604 | Sri Ajay Kumar Chakraborty | Director | 17/11/2014 |
| 00524341 | Sri Mahabir Prasad Agrawal | Director | 16/05/2016 |
| 05348309 | Sri Karan Agrawal | Whole-time Director | 17/11/2014 |
| 06537905 | Sri Anirudha Agrawal | Whole-time Director | 17/11/2014 |
| 08164196 | Sri Debasis Banerjee | Whole-time Director | 02/08/2018 |
| 08458092 | Sri Siddhartha Shankar Roy | Director | 29/05/2019 |
| 08458152 | Ms Gargi Singh | Director | 29/05/2019 |

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

For **DROLIA & COMPANY**
Company Secretaries

Pravin Kumar Drolia
Proprietor

Place: Kolkata
Date:05-08-2020

FCS: 2366
C.P.No.: 1362
UDIN:F002366B000554192

Annexure - 'C'

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Manaksia Coated Metals & Industries Limited
Bikaner Building
8/1 Lal Bazar Street, 3rd Floor
Kolkata – 700001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Manaksia Coated Metals & Industries Limited having CIN L27100WB2010PLC144409** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my online verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit to the extent possible due to COVID-19 and subsequent lock down situation and the explanations given to me and the management representation letter of even date, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (hereinafter called 'the Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 and the Rules made thereunder (hereinafter called as 'the Act');
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable to the Company during the Audit Period;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable to the Company during the Audit Period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the Audit Period;
 - (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 - Not applicable to the Company during the Audit Period;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the Company during the Audit Period;

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (vi) The Insecticides Act, 1968 is the law applicable specifically to the Company, as per the Management Representation Letter issued by the Company of even date.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as approved by the Central Government.
- (ii) Listing Agreement pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited (all the two stock exchanges are hereinafter collectively referred to as 'the stock exchanges').

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the observations that the Company is yet to file some of the forms with the Registrar of Companies and it has been represented to us that they are in process of filing the same.

I further report that

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

Adequate notices were given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at board meetings and committee meetings held during the Audit Period carried out unanimously as recorded in the minutes of the respective meetings.

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

I further report that during the Audit Period, the specific events/actions which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to as above are as follows:-

1. The Board of Directors of the Company had resolved during the financial year ended on 31st March, 2019 to diversify into business of dyes, colours, pigments, solvents, enamels and other chemical, components and products of similar nature and necessary resolution for alteration of Memorandum and as represented by the Management the necessary resolution for alteration of memorandum shall be placed for the approval of the members at the forthcoming Annual General Meeting.
2. The Company has obtained secured and unsecured borrowings from time to time.
3. The Company has granted unsecured loans to its subsidiaries from time to time.

This report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this report.

Date : 14th August, 2020
Place: Kolkata

CS Deepak Kumar Khaitan
F.C.S. No.: 5615 /C.P. No.: 5207
ICSI Unique Code No.: I2003WB347200
Deepak Khaitan & Co.
ICSI Unique Code No.: S2019WB676500
UDIN: F005615B000579144

Annexure A**TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020**

To
The Members
Manaksia Coated Metals & Industries Limited
Bikaner Building
8/1 Lal Bazar Street, 3rd Floor
Kolkata – 700 001

Our Secretarial Audit Report of even date is to be read along with this letter.

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

Date : 14th August, 2020
Place: Kolkata

CS Deepak Kumar Khaitan
F.C.S. No.: 5615 /C.P. No.: 5207
ICSI Unique Code No.: I2003WB347200
Deepak Khaitan & Co.
ICSI Unique Code No.: S2019WB676500
UDIN: F005615B000579144

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

A) CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy:

Energy conservation receives priority attention on an on-going basis throughout the Company, and continuous efforts are made to conserve and optimize use of energy with continuous monitoring, regular maintenance and improved operating techniques. Some specific steps taken include:

- Maintenance of near unity Power Factor; Installation of capacitors to improve PF;
- Use of Agro Based fuel for manufacture of Mosquito Coil;
- Use of natural lighting, wherever feasible; replacing of conventional lamps with energy efficient lighting; and
- Conducting training programmers at various factories for conservation of energy.

ii) The steps taken by the Company for utilizing alternate sources of energy:

- Installation of Thermal Fluid heating system for drying of Mosquito coils.

iii) The capital investment on energy conservation equipment: NIL

B) TECHNOLOGY ABSORPTION:

i) The efforts made towards technology absorption:

- Improvement in manufacturing process;
- Implementation of Automation in production process; and
- Installing upgraded pollution control equipments for Air/water.

ii) The benefits derived include:

- Improvement in Market Share;
- Improvement in Productivity;
- Energy conservation;
- Increase in in-house capability; and
- Improvement in Quality.

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

iv) The expenditure on Research & Development : - NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review foreign exchange earnings were ₹ 5583.31 Lacs (Previous year ₹ 4251.34 Lacs) and foreign exchange outgo was ₹ 3449.13 Lacs (Previous year ₹ 6336.76 Lacs).

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 14th August, 2020

Sushil Kumar Agrawal
(Managing Director)
(DIN: 00091793)

Karan Agrawal
(Whole-time Director)
(DIN:05348309)

ANNEXURE – 'E'

**REMUNERATION POLICY
OF
MANAKSIA COATED METALS & INDUSTRIES LIMITED**

FRAMED UNDER SECTION 178 (3) OF COMPANIES ACT, 2013 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I. INTERPRETATION CLAUSES

For the purposes of this Policy references to the following shall be construed as:

| | |
|-----------------------------------|---|
| 'Applicable Law' | : shall mean the Companies Act, 2013 and allied rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any other statute, law, standards, regulations or other governmental instruction as may be applicable to the Company from time to time. |
| 'Company' | : refers to Manaksia Coated Metals & Industries Limited. |
| 'Board' | : refers to the Board of Directors of the Company. |
| 'Committee' | : refers to Nomination & Remuneration Committee of Board of Directors of the Company |
| 'Directors' | : refers to the Chairperson and all Whole-time Directors. |
| 'Executives' | : refers to the Directors, Key Managerial Personnel and Senior Management. |
| 'Key Managerial Personnel' | : Key Managerial Personnel, in relation to a company, means— (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary; (iii) the Whole-time Director; (iv) the Chief Financial Officer; and (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board: and (vi) such other officers as may be prescribed; |
| 'Policy' or 'this Policy' | : shall mean the contents herein including any amendments made by the Board of Directors of the Company. |
| 'Senior Management' | : mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/ Managing Director/Whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer. |

All terms not defined herein shall take their meaning from the Applicable Law.

II. EFFECTIVE DATE

This Policy shall become effective from the date of its adoption by the Board.

III. SCOPE

- a) This Policy applies to all the “Executives” of the Company.
- b) In addition, this Policy also extends to the remuneration of non-executive Directors, including principles of selection of the independent Directors of the Company.
- c) The Board of Directors has adopted the Remuneration Policy at the recommendation of the Committee on 10th February, 2016 which has been further amended by the Board of Directors at its meeting held on 29th May, 2019. This Policy shall be valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter.
- d) In order to comply with local regulations, the Company may have remuneration policies and guidelines which shall apply in addition to this policy.

The Board of Directors of the Company may deviate from this Policy if there are explicit reasons to do so in individual case(s). Any deviations on elements of this remuneration policy under extraordinary circumstances, when deemed necessary in the interests of the Company, shall be reasoned and recorded in the Board’s minutes and shall be disclosed in the Annual Report or, in case of an appointment, in good time prior to the appointment of the individual.

IV. PURPOSE

This Policy reflects the Company’s objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. This Policy will also help the Company to attain optimal Board diversity and create a basis for succession planning. In addition, it is intended to ensure that –

- a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- c) remuneration of the Executives are aligned with the Company’s business strategies, values, key priorities and goals.

V. GUIDING PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT

The guiding principle is that the remuneration and the other terms of employment for the Executives shall be competitive in order to ensure that the Company may attract and retain competent Executives. In determining the remuneration policy, the Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other multinational companies operating in national and global markets.

VI. RESPONSIBILITIES AND POWERS OF THE COMMITTEE

The Committee, in addition to the functions and powers as endowed by its terms of reference, would also be responsible for –

- a) preparing the Board's decisions on issues concerning principles for remunerations (including pension and severance pay) and other terms of employment of Executives and Non-Executive Directors;
- b) formulating criteria of qualifications and positive attributes to assist the Company in identifying the eligible individuals for the office of Executives;
- c) monitoring and evaluating programs for variable remuneration, if any, both ongoing and those that have ended during the year, for Executives and Non-Executive Directors;

- d) monitoring and evaluating the application of this Policy;
- e) monitoring and evaluating current remuneration structures and levels in the Company.

VII. PRINCIPLES FOR SELECTION OF INDEPENDENT DIRECTORS

The nomination of the Independent Directors of the Company shall be in accordance with the principles as stated hereunder and other relevant provisions of Applicable Law:

- (a) is a person of integrity and possesses relevant expertise and experience;
- (b) who is neither a promoter nor related to promoters or directors in the company, its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- (c) who is not a Non-Independent Director of another Company on the Board of which any Non-Independent Director of the listed entity is an Independent Director;
- (d) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (e) none of his relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (f) none of whose relatives:
 - A. is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:
Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two percent of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;
 - B. is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - C. has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - D. has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (A), (B) or (C).
- (g) who, neither himself nor any of his relatives-
 - A. hold or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years;

- B. is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the financial year:
 - (i) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (ii) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - C. hold together with his relatives two per cent. or more of the total voting power of the company; or
 - D. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company.
 - E. is a material supplier, service provider or customer or a lessor or lessee of the Company.
- (h) I possess the requisite qualifications as prescribed as prescribed under Section 14(6) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Qualifications of Directors) Rules 2014 as amended.

VIII. OVERALL CRITERIA FOR SELECTION OF EXECUTIVES

The assessment for Senior Management will be done on the basis of below parameters by the concerned interview panel of the Company -

- a) Competencies:
 - Necessary skills (Leadership skill, Communication skills, Managerial skills etc)
 - Experiences & education to successfully complete the tasks.
 - Positive background reference check.
- b) Capabilities:
 - Suitable or fit for the task or role.
 - Potential for growth and the ability and willingness to take on more responsibility.
 - Intelligent & fast learner, Good Leader, Organizer & Administrator, Good Analytical skills Creative & Innovative.
- c) Compatibility:
 - Can this person get along with colleagues, existing and potential clients and partners.
 - Strong Interpersonal Skills.
 - Flexible & Adaptable.
- d) Commitment:
 - Candidate's seriousness about working for the long term
 - Vision & Aim
- e) Character:
 - Ethical, honest, team player
- f) Culture:
 - Fits with the Company's culture. (Every business has a culture or a way that people behave and interact with each other. Culture is based on certain values, expectations, policies and procedures that influence the behavior of a leader and employees. Employees who don't reflect a company's culture tend to be disruptive and difficult)
 - Presentable & should be known for good social & corporate culture.

IX. GENERAL POLICIES FOR REMUNERATION

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package.

1. A fixed base salary - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. Perquisites – in the form of house rent allowance/accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
3. Retirement benefits - contribution to Provident Fund, superannuation, gratuity, etc as per Company Rules, subject to Applicable Law.
4. Motivation/ Reward - A performance appraisal to be carried out annually and promotions/ increments/ rewards are to be decided by Managing Director based on the appraisal and recommendation of the concerned Head of Departments, where applicable.
5. Severance payments - in accordance with terms of employment, and applicable statutory requirements, if any.

Any remuneration payable to the Executives of the Company shall abide by the following norms -

- i. The base salary shall be competitive and based on the individual Executive's key responsibilities and performance;
 - ii. Base salaries would be based on a function-related salary system and be in line with the market developments shown by the benchmark research and additional market studies. The annual review date for the base salary would be April 1 or any other date as may be determined by the Committee from time to time, subject to the Company's Policy;
 - iii. The Executives will be entitled to customary non-monetary benefits such as Company cars, phone and such other fixed entitled benefits;
 - iv. Pension contributions shall be made in accordance with applicable laws and employment agreements;
 - v. The Executives resident outside India or resident in India but having a material connection to or having been resident in a country other than India, may be offered pension benefits that are competitive in the country where the Executives are or have been resident or to which the Executives have a material connection, preferably defined-contribution plans;
 - vi. A Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
 - vii. If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
 - viii. A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company shall not be disqualified from receiving any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.
- A. Any fee/remuneration payable to the non-executive Directors of the Company shall abide by the following norms –
- i. If any such Director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;

- ii. Such Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- iii. An independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission, as may be permissible under the Applicable law.

X. NOTICE OF TERMINATION AND SEVERANCE PAY POLICY

The notice of Termination and Severance pay shall be as per the terms of appointment as mentioned in the Employment Agreement or Letter of Appointment.

XI. DISCLOSURE AND DISSEMINATION

- i. The Policy shall be disclosed in the Board's report to shareholders of the Company.
- ii. The annual report of the Company would specify the details of remuneration paid to Directors.
- iii. The Company is required to publish its criteria of making payments to Non-Executive Directors in its annual report. Alternatively, this may also be put up on the Company's website and reference be drawn in the annual report.

Notes:

1. Based on the recommendation of the Nomination & Remuneration Committee at its meeting held on 30th May, 2015, the policy was approved and adopted by the Board of Directors of the Company at its meeting held on 30th May, 2015.
2. The Policy was amended in order to align the same with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Nomination & Remuneration Committee at its meeting held on 10th February, 2016 and recommended to the Board of Directors for their approval. The Board of Directors of the Company at its meeting held on 10th February, 2016 approved the amended policy.
3. The Policy was further amended on 29th May, 2019 to align with the latest amendment in Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNEXURE 'F'

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

A. As per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sl. No. | Particulars | | | |
|---------|--|----------------|---|---|
| i) | The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20. | Sl. No. | Name of Director and Designation | Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20** |
| | | a) | Mr. Sushil Kumar Agrawal, Managing Director | 52.05:1 |
| | | b) | Mr. Ajay Kumar Chakraborty, Independent Director* | — |
| | | c) | Mr. Siddhartha Shankar Roy, Independent Director* | — |
| | | d) | Ms. Gargi Singh, Independent Director* | — |
| | | e) | Mr. Karan Agrawal, Executive Director | 50.00:1 |
| | | f) | Mr. Anirudha Agrawal, Executive Director | 50.00:1 |
| | | g) | Mr. Debasis Banerjee, Executive Director | 4.06:1 |
| | | h) | Mr. Mahabir Prasad Agrawal, Non-Executive Director* | — |
| | | i) | Mr. Sunil Kumar Agrawal, Non-Executive Director* | — |
| ii) | The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2019-20. | Sl. No. | Name of Director/ KMP and Designation | % increase in Remuneration during the financial year 2019-20** |
| | | a) | Mr. Sushil Kumar Agrawal, Managing Director@ | — |
| | | b) | Mr. Ajay Kumar Chakraborty, Independent Director* | — |

| Sl. No. | Particulars | | |
|---------|-------------|--|--------|
| | c) | Mr. Siddhartha Shankar Roy, Independent Director | – |
| | d) | Ms. Gargi Singh, Independent Director | – |
| | e) | Mr. Karan Agrawal, Executive Director@ | – |
| | f) | Mr. Anirudha Agrawal, Executive Director@ | – |
| | g) | Mr. Debasis Bnerjee, Executive Director | 4.15% |
| | h) | Mr. Mahabir Prasad Agrawal, Non-Executive Director | – |
| | i) | Mr. Sunil Kumar Agrawal, Non-Executive Director | – |
| | j) | Mr. Mahendra Kumar Bang, Chief Financial Officer | – |
| | k) | Ms. Sailja Gupta, Company Secretary | 32.96% |

Note(s):

Directors as on 31.03.2020 are only provided in calculation. Directors resigned during the year are not considered in calculation as comparison would not be meaningful.

@ There is no increase in remuneration payable to Managing Director and Whole-time Director during the FY 2019-20

* Independent Directors and Non-Executive Directors of the Company are entitled only for sitting fee as per the statutory provisions and within the limits. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and are governed by the Remuneration Policy of the Company, as provided in the Annual Report. In view of this, the calculation of the ratio of remuneration and percentage increase in remuneration of Independent Directors and Non-Executive Directors would not be meaningful and hence not provided.

Appointed as Chief Financial Officer w.e.f. 29th May, 2019.

** for calculation of median remuneration of employees, remuneration actually paid during the FY 2019-20 to Key Managerial Personnel are included.

| | | |
|------|--|--------|
| iii) | The percentage increase in the median remuneration of employees of the Company during the financial year 2019-20 | 20.12% |
| iv) | The number of permanent employees on the rolls of Company as on March 31, 2020 | 263 |
| v) | Yes, it is hereby affirmed that the remuneration paid during the year ended 31st March, 2020 is as per the Remuneration Policy of the Company. | |

B. Statement as per Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sl. No. | Particulars | | | | | | | | | |
|---------|---|---|--------------------|----------------------|--|-----------------|-------------|--|--------------------------------------|--|
| i) | The details of the top ten employees based on remuneration drawn during the FY 2019-20: | | | | | | | | | |
| SN. | Name of the Employee | Designation | Remuneration Drawn | Nature of Employment | Qualification and Experience (years) | Date of Joining | Age (years) | Last Employment | Percentage of Shares held in Company | Related to Director or manager of Company, if any |
| 1) | Mr. Sushil Kumar Agrawal | Managing Director | 12600000.00 | Permanent | Commerce Graduate 28 years | 23.11.2014 | 60 | Manaksia Limited | 20.114% | Mahabir Prasad Agrawal Sunil Kumar Agrawal Karan Agrawal Shailaja Agrawal |
| 2) | Mr. Karan Agrawal | Whole-time Director | 12000000.00 | Permanent | Commerce Graduate and Diploma holder in Management from IIM, Bangalore 5.5 years | 17.11.2014 | 33 | - | 2.7424% | Sushil Kumar Agrawal Tushar Agrawal Shailaja Agrawal Devansh Agrawal Mruga Agrawal |
| 3) | Mr. Anirudha Agrawal | Whole-time Director | 12000000.00 | Permanent | Commerce Graduate & MBA 5.5 years | 17.11.2014 | 30 | - | 6.1436% | Sunil Kumar Agrawal Manju Agrawal Sonia Agrawal |
| 4) | Mr. Tushar Agrawal | Vice-President | 3000000.00 | Permanent | Bachelor of Science Finance Major and Master in Business Administration 4.5 years | 01.06.2015 | 27 | - | 2.246% | Sushil Kumar Agrawal Karan Agrawal Devansh Agrawal Shailaja Agrawal |
| 5) | Mr. Gyanesh Mathur | Senior GM (Operation) | 1732200.00 | Permanent | Graduate (Eco) 39 years | 23.11.2014 | 62 | Manaksia Limited | - | None |
| 6) | Mr. Arup Bhadhuri | Senior Manager (International Business) | 1440160.00 | Permanent | Commerce Graduate 25 years | 23.11.2014 | 44 | Manaksia Limited | - | None |
| 7) | Mr. Manveer Kiranchand Sharma | AGM (Operation) | 1381008.00 | Permanent | B.Tech (Mechanical) 19 years | 10.11.2017 | 46 | Abul Khair Steel Industries (Bangladesh) | - | None |
| 8) | Mr. Sakesh B. Soni | Senior GM (Operation & Project) | 1368040.00 | Permanent | BE Mech 27 years | 14.12.2015 | 49 | ALAF Ltd Tanzania | - | None |
| 9) | Mr. Bhaskar Kanetkar | DGM Marketing Hyderabad | 1310448.00 | Permanent | Graduation in Metrology 25 years | 08.10.2018 | 49 | Posco Maharashtra Steel Pvt. Ltd. | - | None |
| 10) | Mr. Yogesh Kumar Sharma | DGM (Operation & Manufacturing) | 1284194.00 | Permanent | M. Sc and MFT and Certificate for Rolling Technology 22 years | 23.11.2014 | 47 | Jindal India Ltd | - | None |

Note - Remuneration means gross remuneration of employee during the financial year 2019-20. Any Director or employee resigned during FY is not taken into consideration as it would not be meaningful.

| | |
|--|---|
| ii) | There were no employees who were employed throughout the Financial Year (FY) 2019-20 and who were in receipt of remuneration during FY 2019-20, in the aggregate was not less than the Rs. 1.02 crore. |
| iii) | There were no employees who were employed for a part of the Financial Year (FY) 2019-20 and who were in receipt of remuneration for such part during FY 2019-20 at a rate which, in the aggregate was not less than the Rs. 8.50 lacs per month. |
| iv) | There were no employees who were employed throughout the Financial Year 2019-20 or for a part thereof, who were in receipt of remuneration during the FY 2019-20 or for a part thereof which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the Managing Director and holds by himself/herself or along with his/her spouse and dependent children, not less than 2 (Two) percent of the equity shares of the Company. |
| Note: For purpose of above point no. (B)(ii)(iii) & (iv), the term employees exclude Managing Director & Whole-time Director. | |

Place: Kolkata
Dated: 14th August, 2020

For and on behalf of the Board of Directors
Sushil Kumar Agrawal
(Managing Director)
 (DIN: 00091793)
Karan Agrawal
(Whole-time Director)
 (DIN:05348309)



MANAGEMENT DISCUSSION & ANALYSIS REPORT FY 2019-20

Economic Overview

As per World Economic Outlook update, the global growth has remained sluggish notably in the second half of 2019 reflecting a confluence of factors affecting major economies. In Calendar Year (CY) 2019, the World Economy grew by 2.9% much below the 3.6% expansion in CY 2018. Rising trade tariffs, geopolitical tensions and increased uncertainty have led to a broad based slowdown in the manufacturing activity and global trade activities. Global trade also slowed down due to protectionist trade policies. The last quarter of CY 2019 however appeared to look brighter with softening of US- China Trade tensions and waning uncertainty related to Brexit. The growth in Advanced Market economies have slowed down to 1.7% in CY 2019 from 2.2% in CY 2018. Rising geopolitical tensions and prolonged trade disputes have led to a slowdown in US economy which was 2.3% as compared to 2.9% in CY 2018.

Growth in Emerging Market economies moderated to 3.7% in CY 2019 from 4.5% in CY 2018. Since the growing trade restrictions adversely effected the growth. With things beginning to improve in the first quarter of CY 2020, the world was hit hard by the rapid spread of corona virus all over the world. Covid-19 compelled respective Governments to enforce lockdowns so as to break the chain of viral transmission. This almost halted the economic activities. Covid-19 pandemic resulted in a more negative impact on activity in the first half of CY 2020 than anticipated. International Monetary Fund (IMF) also warned that the pandemic is expected to plunge most countries into recession in CY 2020 with per capita income contracting significantly. IMF expects the global economy would contract by 4.9% in CY 2020 on account of such disruptions and recovery is expected to be gradual with growth estimated at 5.4% in CY 2021. However, timely Government interventions and significant stimulus measures from Central Banks, has somewhat cushioned the economy from the severity of the crisis. Much would depend on how this pandemic is contained with development of vaccine and its effective distribution.

India's growth as per economic survey moderated in FY 2019-20 to 4.2% from 6.1% a year earlier. This happened due to weak domestic demand, sluggish manufacturing activity and low investments. The Central Government in its resolve to increase growth announced a cut in corporate tax rates, and continued with rationalization of GST rates to spur economic growth.

In the Union Budget 2019-20, Government announced to make India a five trillion dollar economy by 2024-25. National Infrastructure Pipeline announced in the Union Budget 2020-21 will benefit some of the core sectors like Energy, Road, Railways. Further measures announced in The Union Budget- 2020-21 would also help boost agriculture sector and have also laid emphasis on clean technologies for power generation. To further cope with the difficult situation arising due to lockdown during the period- March- May' 2020, Government announced interim relief package of 1.7 lakh crore for low income household and frontline health workers. This was followed up with another package by RBI of ₹ 20 lakh crore. Renewed thrust was put to revive agricultural growth and MSME sector. Government's initiative of strengthening the MSME's and promoting indigenously manufactured goods would help boost the economic revival in India.

The disruption in economic activity due to Covid-19 is likely to impact all major sectors including the steel industry. Notwithstanding this crisis, the measures announced by Government along with RBI have helped the Industry. Indian Industry leaders also foresee a major opportunity to increase their share in World Trade since Industries worldwide are now looking for alternate sources other than China.

Government's support to rural income, as well as expected consumption related to upcoming festive season will also help in substantial recovery of demand in the second half of CY 2020. Supported by the stimulus from Government, recovery in construction will be led by major infrastructure investment. The demand in India should rebound in FY 2021-22.

Prospect for the steel sector in India, however, is seen to be bright. Production capacities have increased. Government's initiatives like "Make in India" campaign, higher spend on Infrastructure and focus on rural development will spur steel demand. The steel body also sees growth coming for the Industry from investments in railways, infrastructure and automotive sector which is making consistent efforts to boost sales of their lower segment priced vehicles.

Industry Structure and Developments

Metal Products: Galvanized Steel Sheets and Colour coated (Pre-painted) steel :

The markets for Galvanized Steel Sheets have shown a consistent growth and a good demand exists for GPSP/GP Coils/GC Sheets. The demand for GC sheets continues to show a positive trend in the rural markets Colour Coated Steel Sheets has been showing an increasing trend with an ever increasing and a consistent demand for their usage in Industrial construction. Besides, growth is observed in Cold Storage facilities which require Sandwich Panels. Even in the Appliances sector the usage of Coated Metals sheets is now gaining acceptance. Consequently, the requirement of these Colour Coated Coils have increased manifold during the last several years. In the construction sector, colour coated sheets have made considerable progress. Colour Coated Coils have very effectively replaced other roofing materials in the Construction Industry as well, gaining wide acceptance in designing the interiors of office establishments where these materials are replacing the wide usage of wood and other construction materials. Colour coated sheets are therefore attracting much greater attention today and affecting its usage positively.

Household Products: Domestic Insecticides - Mosquito Repellent Coils & Ultra Marine Blue Powder

The demand for mosquito repellent coils is quite prevalent in the rural areas, whereas in urban areas the vaporizers and aerosols are replacing coils.

Ultramarine Blue Powder is an optical brightener and is used for improving whiteness of clothes and white washing/painting of walls in urban & rural areas. This product is in use since many decades in India and neighboring countries and there exists a consistent and good demand for this product.

Business

Business of your Company mainly consists of Galvanised Steel Sheets/Coils, Pre Painted Coils/Sheets, Household Products as Domestic Insecticides in the form of Mosquito Repellent Coils, Vaporizers and Ultramarine Blue Powder.

Overview of Operations

Results

During the year under review, the revenue of your Company stood at ₹ 24,585.00 lacs, as compared to ₹ 25,104.11 lacs during the year ended on **March 31, 2019**.

However, the Company earned the profit of ₹ 487.89 lacs during the year as compared to a profit of ₹ 27.11 lacs during the year ended on **March 31, 2019**.

Key Financial Ratios

In accordance with SEBI (Listing Obligations & Disclosures Requirements) (Amendment) Regulations 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous

financial year) in key sector –specific financial ratios including Debtors Turnover, Inventory Turnover, Interest Coverage Ratio, Current Ratio, Debt Equity Ratio, Operating Profit Margin(%) and Net Profit Margin(%) and details of any change in Return on Net Worth as compared to the immediately previous financial year along with the details explanation thereof.

Debtors Turnover Ratio increased from 9.36 times in 2018-19 to 10.13 times in 2019-20 and represents better realization of debtors during the year.

Inventory Turnover Ratio decreased from 2.86 times in 2018-19 to 1.97 times in 2019-20 – This was mainly due to increased inventory maintained to have continuous flow of materials for Galvanizing line.

Net Profit Margin Ratio increased from 1.11% in 2018-19, to 1.17% in 2019-20 and was mainly due to low cost expense and strong pricing strategies.

Return on Net Worth decreased from 3.12% in 2018-19, to 3.05% in 2019-20 which is due to decrease in the Pre Tax Profit and on account of delays in disbursement of Working Capital limits for Galvanizing Line as well the impact of Covid-19 on targeted domestic/export sales.

Segment-wise performance

Metal Products: Galvanized Steel Sheets/Colour Coated (Pre-painted) Steel Coils/Sheets -

During the Year 2019-20 Metals business has shown improved profitability.

Cost effective procurement and availability of Raw material has been under pressure from domestic sources thereby effecting capacity utilizations and Sales/Margins

The Company has been regularly devising strategies for effective Cost Control Measures and we could very successfully reduce costs due to stringent internal controls on quality assurance/process wastage and an effective procurement policy.

House Hold Products

Mosquito repellent coil business had been dull throughout the year whereas the new production facility at Mandideep-Bhopal for manufacture of Ultramarine Blue is fully operational.

Business of Ultramarine blue is under contract manufacturing agreement with Reckitt Benckiser (India) Pvt Ltd for their brand “Robin Blue” with 100% Buy Back arrangement and is giving good results. The company is much hopeful of substantial increase in production of Ultramarine Blue in the coming years.

Risks and Concerns

Your Company is cautious while looking for growth opportunities and also for new markets in its product segments. The Company faces several market risks arising in its normal course of business. These risks include variations in raw material prices, fluctuations in foreign currency exchange rate and changes in interest rates which may have an adverse effect on the Company’s financial assets, liabilities and/or future cash flows. The Company continues to mitigate these risks by careful planning of optimum sales mix, product diversification & innovation and penetration in domestic and international markets and active treasury management. Further cost saving measures across all segments of the Company, would help in improving the margins in an otherwise difficult market. The lockdown imposed during the period – March-May’ 2020 due to situation arising out of Covid-19 pandemic also impacted the operations. With Ministry of Home Affairs allowing resumption of activities, your Company took all necessary safeguard measures at their Works and office premises for the safety of the health of their personnel. With all required safeguards and precautions, the Company is making sincere efforts to streamline production to meet their growth targets. An early curtailment of the virus spread however would help ease situation immensely.

Opportunities and Threats

A varied product portfolio and wide geographical reach and presence, both within and outside the country, have helped the Company to try and de-risk its business and meet such risks with suitable safeguards. Improvement in safety

performance is of highest priority, for which the Company has regularly been taking steps to avert accidents. Several manufacturing units in various states of the country have enabled the Company to meet customer needs, meeting delivery schedules at prescribed locations. The Company has wide network of sales and technical servicing offices at Mumbai, Delhi, Ahmedabad, Hyderabad, Guwahati and Bhopal. Multi locational presence has also reduced distribution and inventory costs and delivery times.

Future Outlook

Your Company has taken innovative steps in strict negotiation for Raw Materials sourcing, improved inventory management and increasing Domestic Sales. This helped us improve operational performance of the Company.

The new continuous Steel Galvanizing line at the Kutch, plant in Gujarat, is contributing significantly towards increased turnover and profitability besides regular turnover from the Colour Coating Line. In keeping with the initiatives taken by your Company for increasing investments in capacity expansion, we are also in the process of enhancing capacity of existing Colour Coating Line. This would help increase business volumes as we foresee a much bigger demand for domestic and export sales. Besides, our efforts to penetrate more specialized market of appliance sector would also offer a much higher return. The demand for Steel products in the market is definitely improving and expected to rise further. With all these investments, your Company is expected to do much larger business volumes in the coming years.

The Company is also evaluating possibility of adding more products alongside production of Ultra Marine Blue. This is under active consideration and would help increase turnover and profits from our existing facility at Mandideep.

Internal Control Systems

The Company has an effective internal control system which helps it to maintain both internal control and procedures to ensure all transactions are approved, recorded and reported correctly and also ensures disclosure and protection of physical and intellectual property. The Company has appointed Chartered Accountants firm as Internal Auditors who independently evaluate the adequacy of the internal controls on a regular basis. The management duly considers and takes appropriate action to maintain transparency and effectiveness, based on the recommendations made by Statutory Auditors, Internal Auditors and by Management Committee/Audit Committee of the Board of Directors. The company is operating on SAP Platform in order to have proper internal control procedure with required approvals and "maker and checker" concept. This helps in correct recording of transactions, timely rectification and elimination of errors. The Company has appointed consultants/ professionals to conduct Secretarial Audit and Cost Audit and their observations, if any, are reviewed by the Management periodically and remedial actions taken. The Company incorporated necessary changes in the ERP system required for migration to Goods & Services Tax implemented from 1st July, 2017.

Human Resources

Employee relations have generally remained cordial throughout the year and recruitments were made commensurate with the needs of the business. The Company employs about 263 people in all its facilities.

Finance Cost

Finance Cost, during the year under review stood at ₹ **1,693.65 lacs**, as compared to ₹ **1,376.33 lacs** during the year ended on **March 31, 2019**, due to multiple sourcing requirements. The availability of material during the year under review was under severe pressure with continuous price fluctuations.

Our day to day monitoring of cost control measures would help in reducing the financial cost thereby improving the Profitability.

Cautionary Statement

Statements in the Management Discussion and Analysis, on the company's objectives, outlook and expectation, may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations, projections etc. Several factors make a significant difference to the company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and other such factors over which the company does not have any direct control.

INDEPENDENT AUDITORS' REPORT

To the Members of
Manaksia Coated Metals & Industries Limited

Report on the audit of Standalone Ind AS financial statements

Opinion

We have audited the standalone financial statements of **Manaksia Coated Metals & Industries Limited ("the Company")**, which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss including Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

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

Basis for Opinion

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

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 matter described below to be the key audit matters to be communicated in our report.

Revenue Recognition

We have identified this as an area of importance because the company's revenue is a material item in view of adoption of Ind AS 115 "Revenue from Contracts with Customers".

The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period and disclosures thereof.

Our audit procedures included but were not limited to:

- Evaluation of the company's accounting principles in relation to implementation of the new revenue accounting standard;
- Created an understanding of the company's routines and internal controls associated with revenue recognition;
- Examination of a selection of transactions to ensure that they have been reported correctly according to agreements and in the correct periods;

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that gives a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

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

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

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

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Emphasis of Matters

We draw attention to Note 44 to the financial statements in relation to outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any.

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 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, 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. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, 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.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 36 of the standalone Ind AS financial statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. Bhalotia & Associates**
Chartered Accountants
Firm Registration No.-325040E

Ankit Santhalia
(Partner)
Membership No. 301737
UDIN 20301737AAAAABR9381

Place: Kolkata
Dated: 23rd June, 2020

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of **Manaksia Coated Metals & Industries Limited ("the Company")** on the standalone Ind AS financial statements for the year ended on March 31, 2020. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanation 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 inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)a, 3(iii)b and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that prima-facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, GST and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

| Name of the Statute | Nature of dues | Amount (₹ In Lacs) | Date of Payment | Forum where dispute is pending |
|---------------------|----------------|--------------------|-----------------|---|
| Sales Tax | Sales Tax | 135.99 | - | The Liability for the financial year ending 2010, 2011 & 2012 has become payable, in the previous and current financial year respectively, in terms of Sales Tax Deferment Scheme. However in absence of any intimation from the department the same has not been paid. |

- (b) According to the information and explanations given to us, there are no dues of income tax and duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of sales tax have not been deposited by the Company on account of disputes:

| Sl. | Name of the Statute | Nature of dues | Amount (₹ In Lacs) | Financial year to which the Amount Relates | Forum where dispute is pending |
|-----|---------------------|----------------|--------------------|--|--------------------------------|
| 1 | Sales Tax | Sales Tax | 29.51 | 2013-2014 | Comm. Commercial Tax – Bhopal |

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S. Bhalotia & Associates**
Chartered Accountants
Firm Registration No.-325040E

Ankit Santhalia
(Partner)

Membership No. 301737
UDIN 20301737AAAAABR9381

Place: Kolkata
Dated: 23rd June, 2020

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Manaksia Coated Metals & Industries Limited ("the Company")** as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, 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 of March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. Bhalotia & Associates
Chartered Accountants
Firm Registration No.-325040E

Ankit Santhalia
(Partner)
Membership No. 301737
UDIN 20301737AAAABR9381

Place: Kolkata
Dated: 23rd June, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lacs)

| | Notes | As at March 31, 2020 | As at March 31, 2019 |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| I. Non-Current Assets | | | |
| a) Property, Plant and Equipment | 3 | 14,019.59 | 14,388.28 |
| b) Capital Work-in-Progress | 3 | 4,480.04 | 4,725.78 |
| c) Financial Assets | | | |
| i) Investments | 4 | 982.05 | 982.05 |
| ii) Loans | 5 | 47.98 | 47.98 |
| iii) Other Financial Assets | 6 | 48.13 | 40.75 |
| | | 19,577.79 | 20,184.84 |
| II. Current Assets | | | |
| a) Inventories | 7 | 12,274.26 | 8,656.05 |
| b) Financial Assets | | | |
| i) Trade Receivables | 8 | 2,386.81 | 2,383.93 |
| ii) Cash and Cash Equivalents | 9 | 71.45 | 32.16 |
| iii) Other Bank Balances | 10 | 900.90 | 428.67 |
| iv) Loans | 11 | 500.30 | 460.03 |
| v) Other Financial Assets | 12 | 52.95 | 75.71 |
| c) Current Tax Assets (Net) | 13 | 12.85 | - |
| d) Other Current Assets | 14 | 1,537.41 | 2,400.07 |
| | | 17,736.93 | 14,436.62 |
| TOTAL ASSETS | | 37,314.72 | 34,621.46 |
| EQUITY AND LIABILITIES | | | |
| III. Equity | | | |
| a) Equity Share Capital | 15 | 655.34 | 655.34 |
| b) Other Equity | 16 | 8,798.17 | 8,307.65 |
| | | 9,453.51 | 8,962.99 |
| IV. Non-Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 17 | 6,652.26 | 5,998.89 |
| ii) Trade Payables | 18 | 3,184.00 | 2,959.78 |
| b) Provisions | 19 | 77.29 | 71.97 |
| c) Deferred Tax Liabilities (Net) | 20 | 1,258.10 | 1,497.90 |
| d) Other Non- Current Liabilities | 21 | 603.12 | 538.96 |
| | | 11,774.77 | 11,067.50 |
| V. Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 22 | 5,975.35 | 5,508.16 |
| ii) Trade Payables | 23 | | |
| A) total outstanding dues of micro, small and medium enterprises; and | | 400.54 | 112.26 |
| B) total outstanding dues of creditors other than micro, small and medium enterprises | | 8,259.04 | 6,904.23 |
| iii) Other Financial Liabilities | 24 | 739.74 | 1,430.34 |
| b) Other Current Liabilities | 25 | 704.51 | 612.86 |
| c) Provisions | 26 | 7.26 | 6.16 |
| d) Current Tax Liabilities (Net) | 27 | - | 16.96 |
| | | 16,086.44 | 14,590.97 |
| TOTAL EQUITY AND LIABILITIES | | 37,314.72 | 34,621.46 |
| Significant Accounting Policies | 2 | | |
| Notes to Financial Statements | 3-46 | | |

As per our Report attached of even date

For and on behalf of the Board of Directors

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

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

(₹ in Lacs)

| | Notes | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-------|--------------------------------------|--------------------------------------|
| I. INCOME | | | |
| Revenue from Operations | 28 | 24,585.02 | 25,104.11 |
| Other Income | 29 | 170.11 | 344.30 |
| Total Income | | 24,755.13 | 25,448.41 |
| II. EXPENSES | | | |
| Cost of Materials Consumed (including Trading Goods) | 30 | 20,635.12 | 19,463.28 |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 31 | (3,682.33) | (1,943.65) |
| Employee Benefits Expense | 32 | 1,305.46 | 1,103.36 |
| Finance Costs | 33 | 1,693.65 | 1,376.33 |
| Depreciation and Amortization Expense | 3 | 859.88 | 979.68 |
| Other Expenses | 34 | 3,655.00 | 4,189.65 |
| Total Expenses | | 24,466.78 | 25,168.65 |
| III. Profit before Tax | | 288.35 | 279.76 |
| IV. Tax Expenses | 34 | | |
| Current Tax | | - | 69.00 |
| Tax for Earlier year | | 41.11 | - |
| Deferred Tax | | (240.65) | 183.65 |
| Total Tax Expenses | | (199.54) | 252.65 |
| V. Profit for the period | | 487.89 | 27.12 |
| VI. Other Comprehensive Income/(Loss) | | | |
| A. (i) Items that will not be reclassified subsequently to Profit and Loss | | | |
| (a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans | | 3.48 | 2.22 |
| (ii) Tax on Items that will not be reclassified subsequently to Profit and Loss | | (0.85) | (0.74) |
| B. (i) Items that will be reclassified subsequently to Profit and Loss | | | |
| (a) Foreign Currency Translation Gains/(Losses) | | - | - |
| (ii) Tax on Items that will be reclassified subsequently to Profit and Loss | | | |
| VII. Total Comprehensive Income for the period | | 490.52 | 28.59 |
| VIII. Basic and Diluted Earnings per Equity Share of Face Value of Re. 1/- each | 37 | ₹ 0.74 | ₹ 0.04 |
| Significant Accounting Policies | 2 | | |
| Notes to Financial Statements | 3-46 | | |

As per our Report attached of even date

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

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

(₹ in Lacs)

A. EQUITY SHARE CAPITAL

| | |
|---|---------------|
| Balance as at April 01, 2018 | 655.34 |
| Changes in Equity Share Capital during the year 2018-19 | - |
| Balance as at March 31, 2019 | 655.34 |
| Changes in Equity Share Capital during the year 2019-20 | - |
| Balance as at March 31, 2020 | 655.34 |

B. OTHER EQUITY

| | Reserves and Surplus | | | | Other Comprehensive Income | Total Other Equity |
|-------------------------------------|----------------------|--------------------|-----------------|-------------------|----------------------------|--------------------|
| | Capital Reserve | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at April 01, 2018 | 5.00 | 3,120.83 | 4,800.96 | 361.85 | (9.58) | 8,279.06 |
| Profit for the period | - | - | - | 27.12 | - | 27.12 |
| Other Comprehensive Income | - | - | - | - | 1.48 | 1.48 |
| Balance as at March 31, 2019 | 5.00 | 3,120.83 | 4,800.96 | 388.97 | (8.10) | 8,307.65 |
| Balance as at April 01, 2019 | 5.00 | 3,120.83 | 4,800.96 | 388.97 | (8.10) | 8,307.65 |
| Profit for the period | - | - | - | 487.89 | - | 487.89 |
| Other Comprehensive Income | - | - | - | - | 2.63 | 2.63 |
| Balance as at March 31, 2020 | 5.00 | 3,120.83 | 4,800.96 | 876.86 | (5.47) | 8,798.17 |

Nature and Purpose of Reserves :

A) Capital Reserve : In terms of an earlier Scheme of Demerger, Share Capital of Rs 5 lacs prior to such Demerger, had been transferred to Capital Reserve Account.

B) Securities Premium : This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

C) General Reserve : This reserve is a free reserve which is used from time to time to transfer profits from retained earnings and can be utilized in accordance with the provisions of the Companies Act, 2013.

D) Retained Earnings : This reserve represents cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

E) Other Comprehensive Income Reserves : This reserve represents effect of remeasurements of defined benefit plans that will not be reclassified to Statement of Profit & Loss.

As per our Report attached of even date
For S Bhalotia & Associates
Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia
(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors
Sushil Kumar Agrawal
(Managing Director)

DIN - 00091793

Mahendra Kumar Bang
(Chief Financial Officer)
Karan Agrawal
(Whole Time Director)

DIN - 05348309

Sailja Gupta
(Company Secretary)

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

(₹ in Lacs)

| Particulars | March 31, 2020 | March 31, 2019 |
|---|-----------------|-------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before Tax : | 288.35 | 279.76 |
| Adjustment for: | | |
| Depreciation/ Amortisation | 859.88 | 979.68 |
| Finance Cost (Net) | 1,533.29 | 1,249.42 |
| Loss on PPE Sold / Discarded (Net) | 6.36 | 5.04 |
| Gain/Loss from Current Investments | - | - |
| Operating Profit before Working Capital Changes | 2,687.88 | 2,513.90 |
| Adjustments for: | | |
| (Increase)/Decrease in Current Financial and Other Assets | 402.92 | 2,063.18 |
| (Increase)/Decrease in Inventories | (3,618.21) | (3,702.68) |
| Increase/(Decrease) in Non Current/Current Financial and Other Liabilities/Provisions | 1,342.42 | 4,362.73 |
| Cash Generated from Operations | 815.01 | 5,237.13 |
| Direct Taxes Paid | (70.92) | (134.45) |
| Net Cash Flow from Operating Activities | 744.09 | 5,102.68 |
| B: CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets and change in Capital work in progress | (399.61) | (4,736.02) |
| Sale of Fixed Assets | 147.81 | 249.67 |
| Investment in Subsidiaries | 0.00 | - |
| Investment in other Non-Current Investments | - | - |
| Investment in Current Investments (Net) | - | - |
| Loans given | (40.27) | (191.55) |
| Repayment of Loans given | - | - |
| Interest Received | 160.36 | 126.91 |
| Dividend Received on Equity Shares | - | - |
| Purchase of Current Investments | - | - |
| Sale of Current Investments | - | - |
| Net Cash Flow from/(Used in) Investing Activities | (131.71) | (4,550.99) |
| C: CASH FLOW FROM FINANCING ACTIVITIES: | | |
| (Repayment of)/ Proceeds from Short Term Borrowings (Net) | 1,120.56 | 157.59 |
| Interest Paid | (1,693.65) | (1,389.19) |
| Net Cash Flow From/(Used in) Financing Activities | (573.09) | (1,231.60) |
| D: Net Increase/(Decrease) in Cash and Cash Equivalents | 39.29 | (679.91) |
| Cash and Cash Equivalents at the beginning of the period | 32.16 | 712.07 |
| Cash and Cash Equivalents at the end of the period | 71.45 | 32.16 |

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our Report attached of even date

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

1. Company Overview

Manaksia Coated Metals & Industries Limited (“the Company”) is a public limited company incorporated in India having its registered office situated at 8/1, Lal Bazar Street, Bikaner Building, Kolkata - 700 001. The Company has its shares listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the manufacture of Mosquito Repellent Coils and value-added secondary metal products like Galvanised Corrugated Sheets, Galvanised Plain Sheets, Colour Coated (Pre-painted) Sheets, etc. The manufacturing units of the Company are located at Kutch, Hyderabad, Guwahati and Bhopal.

2. Significant Accounting Policies

I) Basis of Preparation of Standalone financial statements

(a) Statement of compliance

These Standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (‘Act’) and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (‘SEBI’), as applicable. The Standalone financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on June 23, 2020.

(b) Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

(c) Basis of measurement

These financial statements are prepared under the historical cost convention on the accrual basis except for Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

(d) Use of estimates and judgments

The preparation of the Company’s Standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Standalone financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

II) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

NOTES TO FINANCIAL STATEMENTS

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract/incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method.

All other income are recognized on accrual basis.

III) Property, Plant & Equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalised till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows :

| | |
|----------------------|---------------|
| Building | 30 Years |
| Plant & Equipment | 10 - 20 Years |
| Computers | 3 Years |
| Office Equipment | 3 - 5 Years |
| Furniture & Fixtures | 5 - 10 Years |
| Vehicles | 8 Years |

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other 'Non-Current Assets' Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

NOTES TO FINANCIAL STATEMENTS

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

IV) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

V) Inventories

Inventories are valued at cost or net realisable value whichever is lower except for saleable scraps, whose cost is not identifiable, which are valued at estimated net realisable value. Closing stock has been valued on Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

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

VI) Financial Instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

a) Financial assets carried at amortized cost

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

NOTES TO FINANCIAL STATEMENTS

b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

Derecognition of financial instruments

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. 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.

VII) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

NOTES TO FINANCIAL STATEMENTS

VIII) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

IX) Provisions and Contingent Liabilities

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

X) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee (rounded off to the nearest Lacs).

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

XI) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

NOTES TO FINANCIAL STATEMENTS

XII) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of the defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Company recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

XIII) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

XIV) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit & Loss over the lease term.

XV) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

XVI) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that

NOTES TO FINANCIAL STATEMENTS

is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XVII) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

XVIII) Current and Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period, or
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

NOTES TO FINANCIAL STATEMENTS

XIX) Dividend

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

XX) Rounding of Amounts

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest Lacs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

XXI) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

XXII. Recent Accounting pronouncements

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Company is currently evaluating the implications of Ind AS 116 on the financial statements. The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28 – Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111 – Business combinations and joint arrangements
6. Ind AS 109 – Financial instruments
7. Ind AS 19 – Employee benefits

The Company is in the process of evaluating the impact of such amendment.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

3 PROPERTY, PLANT & EQUIPMENT (Current Year)

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|---------------------------------|----------------------|---------------|----------------------|-----------------------|-----------------------------|-------------------------|---------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2019 | Addition | Deletion/ Adjustment | As at 31st March 2020 | As at 1st April 2019 | Deductions/ Adjustments | For the Year | Up to 31st March 2020 | As at 31st March 2020 | As at 31st March 2019 |
| Tangible Assets : | | | | | | | | | | |
| a) Land | 47.75 | – | – | 47.75 | – | | | – | 47.75 | 47.75 |
| b) Leasehold Land | 99.37 | – | – | 99.37 | 6.30 | | 2.10 | 8.40 | 90.97 | 93.07 |
| c) Building | 3,745.67 | 3.53 | 167.83 | 3,581.37 | 364.14 | 47.29 | 149.32 | 466.17 | 3,115.20 | 3,381.53 |
| d) Plant & Equipment | 12,366.58 | 620.15 | 91.31 | 12,895.42 | 1,715.63 | 57.68 | 665.23 | 2,323.18 | 10,572.23 | 10,650.94 |
| e) Computers | 8.87 | 7.91 | – | 16.78 | 5.07 | | 1.29 | 6.36 | 10.42 | 3.80 |
| f) Office Equipment | 21.88 | – | – | 21.88 | 11.20 | | 2.65 | 13.85 | 8.03 | 10.68 |
| g) Furniture & Fixtures | 54.80 | 13.76 | – | 68.56 | 15.67 | | 5.55 | 21.22 | 47.34 | 39.13 |
| h) Vehicles | 278.31 | – | – | 278.31 | 116.94 | | 33.73 | 150.67 | 127.65 | 161.38 |
| Total : | 16,623.23 | 645.35 | 259.14 | 17,009.44 | 2,234.95 | 104.97 | 859.87 | 2,989.85 | 14,019.59 | 14,388.28 |
| Capital Work in Progress | 4,725.78 | 324.54 | 570.28 | 4,480.04 | – | – | – | – | 4,480.04 | 4,725.78 |

PROPERTY, PLANT & EQUIPMENT (Previous Year)

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|---------------------------------|----------------------|-----------------|----------------------|-----------------------|-----------------------------|-------------------------|---------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2018 | Addition | Deletion/ Adjustment | As at 31st March 2019 | As at 1st April 2018 | Deductions/ Adjustments | For the Year | Up to 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Tangible Assets : | | | | | | | | | | |
| a) Land | 47.75 | – | – | 47.75 | – | | | – | 47.75 | 47.75 |
| b) Leasehold Land | 99.37 | – | – | 99.37 | 4.20 | | 2.10 | 6.30 | 93.07 | 95.17 |
| c) Building | 3,672.86 | 72.81 | – | 3,745.67 | 217.12 | | 147.02 | 364.14 | 3,381.53 | 3,455.74 |
| d) Plant & Equipment | 12,573.81 | 311.10 | 518.34 | 12,366.58 | 1,196.37 | 264.13 | 783.39 | 1,715.63 | 10,650.94 | 11,377.44 |
| e) Computers | 7.68 | 1.19 | – | 8.87 | 3.83 | – | 1.24 | 5.07 | 3.80 | 3.85 |
| f) Office Equipment | 21.83 | 0.08 | 0.03 | 21.88 | 7.62 | – | 3.58 | 11.20 | 10.68 | 14.21 |
| g) Furniture & Fixtures | 53.42 | 1.49 | 0.11 | 54.80 | 10.29 | 0.08 | 5.46 | 15.67 | 39.13 | 43.13 |
| h) Vehicles | 278.76 | – | 0.45 | 278.31 | 80.05 | – | 36.89 | 116.94 | 161.38 | 198.71 |
| Total : | 16,755.48 | 386.67 | 518.92 | 16,623.23 | 1,519.48 | 264.21 | 979.68 | 2,234.95 | 14,388.28 | 15,236.00 |
| Capital Work in Progress | 376.43 | 4,372.16 | 22.81 | 4,725.78 | – | – | – | – | 4,725.78 | 376.43 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|---|-------------------------|-------------------------|
| 4 Investments (Non-Current) | | |
| Investments carried at Cost (Unquoted) | | |
| Investment in Equity Instruments in Subsidiary | | |
| Manaksia International FZE | 977.00 | 977.00 |
| 5554 (5554) Shares of AED 1000/- each fully paid up | | |
| JPA Snacks Private Limited | 4.99 | 4.99 |
| 49,980 (49,980) Shares of ₹ 10/- each fully paid up | | |
| Investments carried at Amortised Cost (Unquoted) | | |
| Investment in Government Securities or trust | | |
| 6 Years National Savings Certificates | 0.06 | 0.06 |
| Total | 982.05 | 982.05 |
| 5 Loans (Non-Current) | | |
| Financial Assets carried at Amortised Cost | | |
| (Unsecured, Considered Good) | | |
| Security Deposits | 47.98 | 47.98 |
| Total | 47.98 | 47.98 |
| 6 Other Financial Assets (Non-Current) | | |
| Financial Assets carried at Amortised Cost | | |
| (Unsecured, Considered Good) | | |
| Fixed Deposits with Banks with original maturity of | | |
| More than 12 months | 48.13 | 40.75 |
| Total | 48.13 | 40.75 |
| 7 Inventories | | |
| At Lower of Cost or Net Realisable Value | | |
| Raw Materials | 4,486.87 | 4,560.49 |
| Work-in-Process | 2,796.00 | 1,820.98 |
| Finished Goods | 4,690.85 | 1,996.20 |
| Stores & Spares | 269.96 | 260.46 |
| At Estimated Realisable Value | | |
| Scraps | 30.58 | 17.92 |
| Total | 12,274.26 | 8,656.05 |
| 8 Trade Receivables | | |
| Financial Assets carried at Amortised Cost | | |
| (Unsecured, Considered Good) | | |
| Trade Receivables | 2,386.81 | 2,383.93 |
| Total | 2,386.81 | 2,383.93 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|---|-------------------------|-------------------------|
| 9 Cash and Cash Equivalents | | |
| Financial Assets carried at Amortised Cost | | |
| Balances with Banks | 8.41 | 15.90 |
| Cheques on Hand | - | - |
| Cash on Hand | 63.04 | 16.26 |
| Fixed Deposits with Banks with original maturity of 3 months or less | - | - |
| Total | 71.45 | 32.16 |

| | | |
|--|---------------|---------------|
| 10 Other Bank Balances | | |
| Financial Assets carried at Amortised Cost | | |
| Fixed Deposits with Banks with original maturity of More than 3 months but less than 12 months [#] | 900.90 | 428.67 |
| Total | 900.90 | 428.67 |

Fixed Deposit are held as lien by Bank against Letter of Credit issued.

| | | |
|--|---------------|---------------|
| 11 Loans (Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Loans to Subsidiary Company | 475.27 | 435.00 |
| Loans to Body Corporates | 25.03 | 25.03 |
| Total | 500.30 | 460.03 |

| | | |
|--|--------------|--------------|
| 12 Other Financial Assets (Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Interest Accrued on Fixed Deposit | 8.08 | 17.48 |
| Other Receivable | 44.87 | 58.23 |
| Fair Valuation of Forward Contracts | - | - |
| Total | 52.95 | 75.71 |

| | | |
|------------------------------------|--------------|----------|
| 13 Current Tax Assets (Net) | | |
| Advance Tax Net of Provision | 12.85 | - |
| Total | 12.85 | - |

| | | |
|---|-----------------|-----------------|
| 14 Other Current Assets (Unsecured, Considered Good) | | |
| Balances with Statutory Authorities | 579.79 | 1,395.00 |
| Advances to Vendors | 531.20 | 642.48 |
| Advances against Expenses | 251.20 | 196.30 |
| Prepaid Expenses | 38.67 | 50.92 |
| Others | 136.55 | 115.37 |
| Total | 1,537.41 | 2,400.07 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | | As at March 31, 2020 | As at March 31, 2019 |
|-----------|---|-------------------------|-------------------------|
| 15 | Equity Share Capital | | |
| a) | Authorised: | | |
| | 7,50,00,000 Equity Shares of Re. 1/- each | 750.00 | 750.00 |
| | | 750.00 | 750.00 |
| b) | Issued, Subscribed and Paid-up Capital | | |
| | 6,55,34,050 Equity Shares of Re. 1/- each fully paid up | 655.34 | 655.34 |
| | | 655.34 | 655.34 |

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

| Name of Shareholders | As at March 31, 2020 | | As at March 31, 2019 | |
|------------------------|-------------------------|--------------|-------------------------|--------------|
| | No. of shares | % Holding | No. of shares | % Holding |
| Sushil Kumar Agrawal | 1,31,81,230 | 20.11 | 1,31,81,230 | 20.11 |
| Sunil Kumar Agrawal | 1,23,79,620 | 18.89 | 1,23,79,620 | 18.89 |
| Mahabir Prasad Agarwal | 70,24,990 | 10.72 | 70,24,990 | 10.72 |
| Anirudha Agrawal | 47,76,170 | 7.29 | 47,76,170 | 7.29 |

d) Reconciliation of the shares outstanding is set out below:

| | 2019-20 No. of shares | 2018-19 No. of shares |
|---|--------------------------|--------------------------|
| Equity Shares | | |
| At the beginning of the period | 6,55,34,050 | 6,55,34,050 |
| Add : Changes during the year | - | - |
| Outstanding at the end of the period | 6,55,34,050 | 6,55,34,050 |

e) Terms/rights attached to each class of shares

Equity Shares:

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

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

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | | As at March 31, 2020 | | As at March 31,2019 | |
|-----------|--|-------------------------|-----------------|------------------------|-----------------|
| 16 | Other Equity | | | | |
| A. | Securities Premium | | | | |
| | As per last Balance Sheet | 3,120.83 | | 3,120.83 | |
| | Add: Addition during the period | - | | - | |
| | Balance as at the end of the period | | 3,120.83 | | 3,120.83 |
| B. | General Reserve | | | | |
| | As per last Balance Sheet | 4,800.96 | | 4,800.96 | |
| | Add: Addition during the period | - | | - | |
| | Balance as at the end of the period | | 4,800.96 | | 4,800.96 |
| C. | Capital Reserve | | | | |
| | As per last Balance Sheet | 5.00 | | 5.00 | |
| | Add: Addition during the period | - | | - | |
| | Balance as at the end of the period | | 5.00 | | 5.00 |
| D. | Surplus in the statement of profit and loss | | | | |
| | As per last Balance Sheet | 388.97 | | 361.85 | |
| | Add : Profit for the period | 487.89 | | 27.12 | |
| | Less : Transferred to General Reserve | - | | - | |
| | Balance as at the end of the period | | 876.86 | | 388.97 |
| E. | Other Comprehensive Income | | | | |
| | As per last Balance Sheet | (8.10) | | (9.58) | |
| | Add: Addition during the period | 2.63 | | 1.48 | |
| | Balance as at the end of the period | | (5.47) | | (8.10) |
| | Total | | 8,798.17 | | 8,307.65 |

| | | | | | |
|-----------|--|-----------------|--|-----------------|--|
| 17 | Borrowings (Non- Current) | | | | |
| | Financial Liabilities carried at Amortised Cost | | | | |
| | Secured | | | | |
| | Term Loans form Banks | | | | |
| | Rupee Loan | 2,714.02 | | 3,269.80 | |
| | Less: Current Maturity (Refer Note 24) | 605.82 | | 770.32 | |
| | | 2,108.20 | | 2,499.48 | |
| | Term Loans From Financial Institutions | | | | |
| | Rupee Loan | 128.26 | | 149.15 | |
| | Less: Current Maturity (Refer Note 24) | 25.68 | | 20.87 | |
| | | 102.58 | | 128.28 | |
| | Vehicle Loan | 4.80 | | 18.22 | |
| | Less: Current Maturity (Refer Note 24) | 4.80 | | 13.42 | |
| | | - | | 4.80 | |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

Borrowings (Non- Current) (Contd.)

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| Unsecured | | |
| Loans from NBFC | 4.49 | 46.71 |
| Less: Current Maturity (Refer Note 24) | 4.49 | 39.53 |
| | - | 7.18 |
| Loans from Related Party (Refer Note 39) | 1,612.77 | 2,049.28 |
| Loans from Directors (Refer Note 39) | 604.20 | 387.12 |
| Loans from Body Corporate | 2,224.51 | 922.75 |
| Loans from Other | - | - |
| Total | 6,652.26 | 5,998.89 |

(i) Repayment terms and nature of securities given for term loan from bank as follows :

| Name of the Bank / instrument | Nature of security | Repayment terms | March 31, 2020 | March 31, 2019 |
|---------------------------------------|---|--|----------------|----------------|
| Secured | | | | |
| UCO Bank | First pari passu charge on entire Fixed Asset (Movable & Immovable) of Kutch Unit and Second pari passu charge on entire Company's current assets | Principal Repayable in 20 equal Quarterly installment commencing from Sep, 2018. Interest to be serviced on monthly basis as and when due. | 2,683.64 | 3,229.14 |
| ICICI Bank | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 47 equal Monthly instalment of ₹ 1,13,888/- each commencing from November, 2018. Interest @ 9.30%. | 30.38 | 40.66 |
| Dewan Housing Finance Corporation Ltd | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 60 equal Monthly instalment of ₹ 3,35,576/- each commencing from May, 2019. Interest @ 12.50%. | 128.26 | 149.15 |
| ICICI Bank | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of ₹19,812/- each commencing from September, 2016. Interest @ 10%. | - | 0.97 |
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 35 equal Monthly instalment of ₹69,746/- each commencing from September, 2017. | 2.74 | 10.53 |
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of ₹21,038/- each commencing from September, 2017. | 1.03 | 3.36 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | | | | |
|-----------------------------|--|---|------|------|
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of ₹21,038/- each commencing from September, 2017. | 1.03 | 3.36 |
|-----------------------------|--|---|------|------|

| | | As at March 31, 2020 | As at March 31, 2019 |
|-----------|--|-------------------------|-------------------------|
| 18 | Trade Payables (Non- Current) | | |
| | Financial Liabilities carried at Amortised Cost | | |
| | Micro, Small and Medium Enterprises | - | - |
| | Others | 3,184.00 | 2,959.78 |
| | Total | 3,184.00 | 2,959.78 |

| | | | |
|-----------|----------------------------------|--------------|--------------|
| 19 | Provisions (Non-Current) | | |
| | Provisions for Employee Benefits | | |
| | Gratuity (Refer Note 39) | 77.29 | 71.97 |
| | Total | 77.29 | 71.97 |

| | | | |
|-----------|---|-----------------|-----------------|
| 20 | Deferred Tax Liability (Net) | | |
| | Deferred Tax Liability | | |
| | Timing difference in depreciable assets | 1,279.53 | 1,525.35 |
| | Deferred Tax Asset | | |
| | Expenses allowable against taxable income in future years | (21.43) | (27.45) |
| | Net Deferred Tax Liability | 1,258.10 | 1,497.90 |

| | | | |
|-----------|---|---------------|---------------|
| 21 | Other Non-Current Liabilities | | |
| | Deferred Payment Liabilities (Under Sales Tax Deferment Scheme Interest Free) | 505.37 | 456.71 |
| | Deferred Government Grant* | 97.75 | 82.25 |
| | Total | 603.12 | 538.96 |

* To be amortised to income over the life of the asset against which such grants are received/receivable.

| | | As at March 31, 2020 | As at March 31, 2019 |
|-----------|--|-------------------------|-------------------------|
| 22 | Borrowings (Current) | | |
| | Financial Liabilities carried at Amortised Cost | | |
| | Secured | | |
| | From Banks | | |
| | Loans Repayable on Demand | | |
| | Foreign Currency Loan | - | - |
| | Rupee Loan | 5,975.35 | 5,508.16 |
| | Buyers' Credit | - | - |
| | Total | 5,975.35 | 5,508.16 |

Notes :

The Company's Working Capital facilities are secured by First Charge on the current assets and second charge on Immovable Fixed Assets ranking par passu with the respective Working Capital Bankers.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| 23 Trade Payables | | |
| Financial Liabilities carried at Amortised Cost | | |
| Micro, Small and Medium Enterprises [refer note (a) below] | 400.54 | 112.26 |
| Others | 8,259.04 | 6,904.23 |
| Total | 8,659.58 | 7,016.49 |

| | | |
|---|--------|--------|
| (a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006 | | |
| (i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year | 400.54 | 112.26 |
| Principal amount due to micro and small enterprise interest due on above | - | - |
| (ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| 24 Other Financial Liabilities (Current) | | |
| Financial Liabilities carried at Amortised Cost | | |
| Interest accrued and due on borrowings | - | - |
| Employee Benefits | 60.59 | 83.02 |
| Current Maturity of Term Loans (Refer Note 17) | 640.79 | 844.14 |
| Others | 38.36 | 503.18 |
| Total | 739.74 | 1,430.34 |

| | | |
|---|---------------|---------------|
| 25 Other Current Liabilities | | |
| Advances from Customers | 354.32 | 284.96 |
| Statutory Dues | 54.17 | 52.47 |
| Deferred Payment Liabilities (Under Sales Tax Deferment Scheme Interest Free) | 135.99 | 135.99 |
| Deferred Government Grant* | 9.40 | 9.40 |
| Others | 150.63 | 130.04 |
| Total | 704.51 | 612.86 |

* To be amortised to income over the life of the asset against which such grants are received/receivable

| | | |
|----------------------------------|-------------|-------------|
| 26 Provisions (Current) | | |
| Provisions for Employee Benefits | | |
| Gratuity (Refer Note 39) | 7.26 | 6.16 |
| Total | 7.26 | 6.16 |

| | | |
|---|----------|--------------|
| 27 Current Tax Liabilities (Net) | | |
| Provision for Income Tax (Net of Advance Tax) | - | 16.96 |
| Total | - | 16.96 |

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| 28 Revenue from Operations | | |
| Sale of Products | 24,360.09 | 24,997.47 |
| Other Operating Income | 224.93 | 106.64 |
| Total | 24,585.02 | 25,104.11 |

| | | |
|---|---------------|---------------|
| 29 Other Income | | |
| Income from Current Investment: | | |
| Interest Income | 160.36 | 126.91 |
| Foreign Currency Fluctuation Gain (Net) | - | 114.57 |
| Rental Income | - | 60.00 |
| Insurance Claim | 0.35 | 6.86 |
| Income on Government Grant | 9.40 | 9.40 |
| Other Miscellaneous Income | - | 26.56 |
| Total | 170.11 | 344.30 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| 30 Cost of Materials Consumed | | |
| Opening Stock | 4,560.49 | 2,791.50 |
| Add : Purchases including Procurement Expenses | 20,561.50 | 21,232.27 |
| Less : Closing Stock | 4,486.87 | 4,560.49 |
| Total | 20,635.12 | 19,463.28 |

| 31 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | | |
|---|-------------------|-------------------|
| Opening Stock | | |
| Finished Goods | 1,996.20 | 578.04 |
| Work in Progress | 1,820.98 | 1,282.66 |
| Scrap | 17.92 | 30.75 |
| | 3,835.10 | 1,891.45 |
| Closing Stock | | |
| Finished Goods | 4,690.85 | 1,996.20 |
| Work in Progress | 2,796.00 | 1,820.98 |
| Scrap | 30.58 | 17.92 |
| | 7,517.43 | 3,835.10 |
| Total (Increase)/Decrease | (3,682.33) | (1,943.65) |

| 32 Employee Benefits Expense | | |
|---|-----------------|-----------------|
| Salaries, Wages and Bonus | 1,008.20 | 882.51 |
| Contribution to Provident & other funds | 30.51 | 31.15 |
| Staff Welfare Expenses | 266.75 | 189.70 |
| Total | 1,305.46 | 1,103.36 |

| 33 Finance Costs | | |
|-------------------------|-----------------|-----------------|
| Interest Expenses | 1,464.31 | 1,161.59 |
| Other Borrowing Cost | 229.34 | 214.74 |
| Total | 1,693.65 | 1,376.33 |

| 34 Other Expenses | | |
|---------------------------------------|----------|----------|
| Consumption of Stores and Consumables | | |
| Indigenous | 175.95 | 68.77 |
| Imported | - | - |
| Power & Fuel | 1,301.82 | 855.75 |
| Processing Charges | 168.43 | 1,044.18 |
| Carriage Inward | 12.30 | 3.39 |
| Repairs to: | | |
| Building | 45.43 | 33.04 |
| Machinery | 12.96 | 30.62 |
| Others | 11.08 | 23.86 |
| Other Manufacturing Expenses | 17.75 | 195.00 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------|---|--------------------------------------|--------------------------------------|
| 34 | Other Expenses (contd.) | | |
| | Rent | 34.53 | 31.02 |
| | Insurance | 57.11 | 52.13 |
| | Rates & Taxes | 22.96 | 30.25 |
| | Packing Expenses | 336.15 | 376.66 |
| | Freight, Forwarding and Handling Expenses | 717.55 | 736.50 |
| | Communication Expenses | 11.06 | 13.95 |
| | Travelling & Conveyance | 206.75 | 218.81 |
| | Foreign Currency Fluctuation Loss (Net) | 98.58 | - |
| | Auditors' Remuneration | | |
| | As Auditors | 6.00 | 6.00 |
| | For taxation matters | 0.50 | 0.50 |
| | For other services | - | 0.75 |
| | Loss in Sale of Property, plant & equipment | 6.36 | 5.04 |
| | Donations | 0.25 | 12.96 |
| | Commission | 26.67 | 44.52 |
| | Other Miscellaneous Expenses | 384.81 | 405.96 |
| | Total | 3,655.00 | 4,189.65 |

| | | March 31, 2020 | March 31, 2019 |
|------------|---|-----------------|----------------|
| 35 | Effective Tax Reconciliation | | |
| | The reconciliation of Estimated Income Tax to Income Tax Expense is as below : | | |
| | Income Tax Recognised in Statement of Profit & Loss | | |
| I. | Current Tax | | |
| | Current period | - | 69.00 |
| | Tax for earlier year | 41.11 | - |
| | Total Current Tax Provision | 41.11 | 69.00 |
| II. | Deferred Tax | | |
| | Attributable to Origination and reversal of temporary differences (A) | (240.65) | 183.65 |
| | | (240.65) | 183.65 |
| | Total Tax expenses reported in the Statement of Profit and Loss | (199.54) | 252.65 |
| | Income Tax recognized in Other Comprehensive Income | | |
| | Deferred Tax relating to items recognized in other comprehensive income during the year (B) | 0.85 | 0.74 |
| | Total Deferred Tax Provision (A+B) | (239.80) | 184.39 |
| | Total Income Tax Expense recognised in the current year (I+II) | (198.69) | 253.39 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

| | March 31, 2020 | March 31, 2019 |
|--|-----------------|----------------|
| 35 Effective Tax Reconciliation (Contd.) | | |
| Reconciliation of tax expense and the accounting profit for March 31, 2020 and March 31, 2019 | | |
| Profit before Income Taxes | 288.35 | 279.76 |
| Statutory Income Tax rate | 25.168% | 33.384% |
| Expected Income Tax Expense at Statutory Income Tax rate | 72.57 | 93.40 |
| i) Impact of MAT | - | (24.40) |
| i) Tax as per Income Tax Act | (72.57) | - |
| Current Tax Provision (A) | - | 69.00 |
| Timing difference in depreciable assets | (245.82) | 185.39 |
| Expenses allowable against taxable income in future years | 6.02 | (1.00) |
| Deferred Tax Provision (B) | (239.80) | 184.39 |
| Tax expenses recognised in the Statement of Profit & Loss (A+B) | (239.80) | 253.39 |

Note : Taxable profit as per Income Tax Act is NIL

36 Contingencies and Commitments**I) Contingent Liabilities**

Claims against the company/disputed liabilities not acknowledged as Debts

| | March 31, 2020 | March 31, 2019 |
|------------------------------|----------------|----------------|
| Sales Tax | 29.51 | 47.25 |
| Central Excise & Service Tax | 88.00 | 8.54 |
| Total | 117.51 | 55.79 |

II) Guarantees given

| | March 31, 2020 | March 31, 2019 |
|----------------|----------------|----------------|
| Bank Guarantee | 49.78 | 295.76 |
| Total | 49.78 | 295.76 |

| 37 Earnings per share | | |
|--|-------------|-------------|
| Profit as per Statement of Profit and Loss (₹ in lacs) | 487.89 | 27.12 |
| Weighted average number of equity shares | 6,55,34,050 | 6,55,34,050 |
| Nominal value per equity share (₹) | 1.00 | 1.00 |
| Earnings per share - Basic and Diluted (₹) | 0.74 | 0.04 |

38 Entry Tax

The Company has made a provision of ₹ Nil Lakhs (Previous Year ₹ Nil) towards Entry Tax in relation to matter under litigation/dispute as shown below :

| Opening Balance | 2.18 | 2.18 |
|---------------------------------|-------------|-------------|
| Provisions made during the year | - | - |
| Closing Balance | 2.18 | 2.18 |

NOTES TO FINANCIAL STATEMENTS
39 Related Party Transactions
List of Related Parties with whom transactions have taken place during the year

| | Relation | Country of Incorporation | Extent of Holding |
|---|---|--------------------------|-------------------|
| Subsidiary | | | |
| Manaksia International FZE | Subsidiary | United Arab Emirates | 100% |
| JPA Snacks Pvt. Ltd | Subsidiary | India | 100% |
| Key Managerial Personnel | | | |
| Mr. Sushil Kumar Agrawal | Managing Director | | |
| Mr. Karan Agrawal | Whole Time Director | | |
| Mr. Anirudha Agrawal | Whole Time Director | | |
| Mr. Debasis Banerjee | Whole Time Director | | |
| Mr. Bharat Begwani | Chief Financial Officer (Upto 22nd May, 2019) | | |
| Mr. Mahendra Kumar Bang | Chief Financial Officer (w.e.f 29th May, 2019) | | |
| Ms. Sailja Gupta | Company Secretary | | |
| Other Directors | | | |
| Mr. Ajay Kumar Chakraborty | Independent Director | | |
| Mrs. Smita Khaitan | Independent Director (Upto 4th June, 2019) | | |
| Dr. Kali Kumar Chaudhuri | Independent Director (Upto 19th June, 2019) | | |
| Mr. Siddharth Shankar Roy | Independent Director (w.e.f 29th May, 2019) | | |
| Mrs. Gargi Singh | Independent Director (w.e.f 29th May, 2019) | | |
| Mr. Sunil Kumar Agrawal | Non-Executive Director | | |
| Mr. Mahabir Prasad Agrawal | Non-Executive Director | | |
| Relative of Key Managerial Personnel | | | |
| Smt. Mruga Agrawal | | | |
| Mr. Tushar Agrawal | | | |
| Smt. Manju Agrawal | | | |
| Smt. Shailaja Agrawal | | | |
| Smt. Sonia Agrawal | | | |
| Mr. Devansh Agrawal | | | |
| Entities over which KMPs and their relatives have significant influence with whom transaction have taken place during the year | | | |
| Manaksia Aluminium Company Limited | | | |
| Manaksia Limited | | | |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

The following table summarises Related-Party Transactions and Balances included in the Financial Statements as at and for the year ended March 31, 2020 and March 31, 2019

A. Summarises Related-Party Transactions

| Nature of Transactions | Subsidiary | Key Managerial Personnel & Other Directors | Relative of Key Managerial Personnel | Entities where KMP and relatives have significant influence | Total |
|-----------------------------------|------------|--|--------------------------------------|---|----------|
| Salary and Other Benefits | - | 393.69 | 47.46 | - | 441.14 |
| | - | 388.44 | 37.20 | - | 425.64 |
| Meeting Fees | - | 2.30 | - | - | 2.30 |
| | - | 3.60 | - | - | 3.60 |
| Rent Paid | - | 4.80 | - | - | 4.80 |
| | - | 4.80 | - | - | 4.80 |
| Sale of Goods/License | - | - | - | 749.22 | 749.22 |
| | - | - | - | 286.03 | 286.03 |
| Purchase of Asset (PPE) | - | - | - | - | - |
| | - | - | - | - | - |
| Purchase of Goods/Services | - | - | - | 699.80 | 699.80 |
| | - | - | - | 214.22 | 214.22 |
| Interest Expense | - | - | - | 146.97 | 146.97 |
| | - | - | - | 116.65 | 116.65 |
| Interest Income | 44.75 | - | - | - | 44.75 |
| | 30.68 | - | - | 2.11 | 32.79 |
| Loans & Advances Received/ (Paid) | - | - | - | (550.00) | (550.00) |
| | - | - | - | 550.00 | 550.00 |
| Investments made | - | - | - | - | - |
| | - | - | - | - | - |

B. Details of Outstanding Balances

| Outstanding Balances | Subsidiary | Key Managerial Personnel & Other Directors | Relative of Key Managerial Personnel | Entities where KMP and relatives have significant influence | Total |
|--|------------|--|--------------------------------------|---|----------|
| Loans Given (Incl Interest) | 475.27 | - | - | - | 475.27 |
| | 435.00 | - | - | - | 435.00 |
| Loans & Advances Taken (Incl Interest) | - | 604.20 | - | 1,612.77 | 2,216.97 |
| | - | 387.12 | - | 2,049.28 | 2,436.40 |
| Outstanding Investment | 981.99 | - | - | - | 981.99 |
| | 981.99 | - | - | - | 981.99 |
| Other Payables | - | - | - | - | - |
| | - | - | - | - | - |

Note : Figures in italics represent comparative figures of previous years.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

40 Employee Benefits
I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

| Particulars | March 31, 2020 | March 31, 2019 |
|---|----------------|----------------|
| Employers' Contribution to Provident Fund | 30.51 | 31.15 |

II) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Change in Defined Benefit Obligations :

| Particulars | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Present Value of Defined Benefit Obligations at beginning of year | 78.13 | 67.58 |
| Current Service cost | 11.60 | 10.77 |
| Interest cost | 5.70 | 5.13 |
| Past Service Cost | - | - |
| Re-measurement (or Actuarial (gains)/ losses) arising from : | | |
| Change in financial assumptions | 6.12 | 2.29 |
| Experience Variance (i.e. Actual experience vs assumptions) | (9.60) | (4.51) |
| Benefits paid | (7.40) | (3.13) |
| Present Value of Defined Benefit Obligations at the end of year | 84.55 | 78.13 |

b) Net Asset/(Liability) recognised in Balance Sheet :

| | | |
|---|----------------|----------------|
| Net Asset/(Liability) recognised in Balance Sheet at beginning of year | (78.13) | (67.58) |
| Expense recognised in Statement of Profit and Loss | 17.30 | 15.90 |
| Expense recognised in Other Comprehensive Income | (3.48) | (2.22) |
| Employer contributions | (7.40) | (3.13) |
| Net Asset/(Liability) recognised in Balance Sheet at end of year | (84.55) | (78.13) |

c) Expenses recognised in the Statement of Profit and Loss consist of :

| | | |
|--|--------------|--------------|
| Current Service Cost | 11.60 | 10.77 |
| Past Service Cost | - | - |
| Loss/(Gain) on settlement | - | - |
| Net Interest Income on the Net Defined Benefit Liability | 5.70 | 5.13 |
| Net Amounts recognised | 17.30 | 15.90 |

d) Expenses recognised in the Other Comprehensive Income consist of :

| | | |
|---|---------------|---------------|
| Actuarial (gains)/losses due to : | | |
| Change in financial assumptions | 6.12 | 2.29 |
| Experience Variance (i.e. Actual experience vs assumptions) | (9.60) | (4.51) |
| Net Amounts recognised | (3.48) | (2.22) |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

e) Actuarial Assumptions

| Particulars | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Financial Assumptions | | |
| Discount Rate p.a. | 6.60% | 7.30% |
| Rate of increase in salaries p.a. | 5.00% | 5.00% |
| Demographic Assumptions | | |
| Mortality Rate (% of IALM 06-08) | 100.00% | 100.00% |
| Normal Retirement Age | 60 Years | 58 Years |
| Attrition Rates, based on age (% p.a.) | | |
| For all ages | 2.00 | 2.00 |

f) Sensitivity Analysis

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

| Particulars | March 31, 2020 | March 31, 2019 |
|-----------------------------------|----------------|----------------|
| Defined Benefit Obligation (Base) | 84.55 | 78.13 |

| Particulars | March 31, 2020 | | March 31, 2019 | |
|--|----------------|----------|----------------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (- / + 1%) | 94.74 | 75.95 | 86.61 | 70.89 |
| % change compared to base due to sensitivity | 12.06% | -10.17% | 10.85% | -9.27% |
| Salary Growth Rate (- / + 1%) | 75.58 | 95.02 | 70.52 | 86.92 |
| % change compared to base due to sensitivity | -10.61% | 12.39% | -9.75% | 11.24% |
| Attrition Rate (- / + 50%) | 83.25 | 85.66 | 76.58 | 79.50 |
| % change compared to base due to sensitivity | -1.53% | 1.32% | -1.99% | 1.75% |
| Mortality Rate (- / + 10%) | 84.30 | 84.79 | 77.87 | 78.40 |
| % change compared to base due to sensitivity | -0.29% | 0.28% | -0.34% | 0.34% |

g) Maturity Profile of Defined Benefit Obligation

| Particulars | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Weighted average duration (based on discounted cash flow) | 12 Years | 11 Years |
| Expected cash flows over the next (valued on undiscounted basis) | | |
| 1 Year | 7.26 | 6.16 |
| 2 to 5 years | 12.79 | 21.10 |
| 6 to 10 years | 38.24 | 34.17 |
| More than 10 years | 148.63 | 132.06 |

h) Summary of Assets and Liability (Balance Sheet Position)

| | | |
|--------------------------------|----------------|----------------|
| Present value of Obligation | 84.55 | 78.13 |
| Fair Value of Plan Assets | - | - |
| Unrecognized Past Service Cost | - | - |
| Effects of Asset Celling | - | - |
| Net Asset/(Liability) | (84.55) | (78.13) |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

i) Windup Liability/Discontinuance Liability

| Particulars | March 31, 2020 | March 31, 2019 |
|---|----------------|----------------|
| Discontinuance Liability * | 101.66 | 99.49 |
| Present Value of Obligation | 84.55 | 78.13 |
| Ratio (PV of Obligation / Discontinuance Liability) | 83% | 79% |

* Discontinuance Liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

41 Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

| Particulars | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| a) Loans and advances in the nature of loan to others | | |
| i) Loan to JPA Snacks Pvt Ltd | | |
| Balance at the year end | 475.27 | 435.00 |
| Maximum amount outstanding at any time during the year | 475.27 | 435.00 |
| It carries rate of interest of 9%. | | |
| ii) Loan to Mahashakti Engineering Works | | |
| Balance at the year end | 20.03 | 25.03 |
| Maximum amount outstanding at any time during the year | 20.03 | 25.03 |
| It carries rate of interest of 12%. | | |

42 Capital Management

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

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

| Particulars | March 31, 2020 | March 31, 2019 |
|--|------------------|------------------|
| Equity Share Capital | 655.34 | 655.34 |
| Other Equity | 8,798.17 | 8,307.65 |
| Total Equity (A) | 9,453.51 | 8,962.99 |
| Short Term Borrowings (Gross Debt) (B) | 5,975.35 | 5,508.16 |
| Long Term Borrowings (Gross Debt) (B) | 6,652.26 | 5,998.89 |
| Total Capital (A+B) | 22,081.12 | 20,470.04 |
| Gross Debt (B) as above | 12,627.61 | 11,507.05 |
| Less: Current Investments | - | - |
| Less: Cash and Cash Equivalents | (71.45) | (32.16) |
| Less: Other Bank Balances | (900.90) | (428.67) |
| Net Debt (C) | 11,655.26 | 11,046.22 |
| Net Debt to Equity (C/A) | 1.23 | 1.23 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

43 Disclosures on Financial Instruments**I) Financial Instruments by Category**

As at March 31, 2020

| Particulars | Amortised Cost | Fair Value through PL | Total Carrying Value | Total Fair Value |
|------------------------------------|------------------|-----------------------|----------------------|------------------|
| Financial Assets | | | | |
| Investments | 0.06 | - | 0.06 | 0.06 |
| Trade Receivables | 2,386.81 | - | 2,386.81 | 2,386.81 |
| Cash and Cash Equivalents | 71.45 | - | 71.45 | 71.45 |
| Other Bank Balances | 900.90 | - | 900.90 | 900.90 |
| Loans | 548.28 | - | 548.28 | 548.28 |
| Other Financial Assets | 101.08 | - | 101.08 | 101.08 |
| Total Financial Assets | 4,008.58 | - | 4,008.58 | 4,008.58 |
| Financial Liabilities | | | | |
| Borrowings | 12,627.61 | - | 12,627.61 | 12,627.61 |
| Trade Payables | 11,843.58 | - | 11,843.58 | 11,843.58 |
| Other Financial Liabilities | 739.74 | - | 739.74 | 739.74 |
| Total Financial Liabilities | 25,210.93 | - | 25,210.93 | 25,210.93 |

As at March 31, 2019

| Particulars | Amortised Cost | Fair Value through PL | Total Carrying Value | Total Fair Value |
|------------------------------------|------------------|-----------------------|----------------------|------------------|
| Financial Assets | | | | |
| Investments | 0.06 | - | 0.06 | 0.06 |
| Trade Receivables | 2,383.93 | - | 2,383.93 | 2,383.93 |
| Cash and Cash Equivalents | 32.16 | - | 32.16 | 32.16 |
| Other Bank Balances | 428.67 | - | 428.67 | 428.67 |
| Loans | 508.01 | - | 508.01 | 508.01 |
| Other Financial Assets | 116.46 | - | 116.46 | 116.46 |
| Total Financial Assets | 3,469.29 | - | 3,469.29 | 3,469.29 |
| Financial Liabilities | | | | |
| Borrowings | 11,507.05 | - | 11,507.05 | 11,507.05 |
| Trade Payables | 9,976.27 | - | 9,976.27 | 9,976.27 |
| Other Financial Liabilities | 1,430.34 | - | 1,430.34 | 1,430.34 |
| Total Financial Liabilities | 22,913.66 | - | 22,913.66 | 22,913.66 |

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

II) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

| Particulars | Fair Value Hierarchy Level | March 31, 2020 | March 31, 2019 |
|---------------------------------|----------------------------|----------------|----------------|
| Financial Liability | | | |
| Other Financial Asset (Current) | Level 2 | - | - |

III) Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company's focus is on foreseeing the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Market Risk -

Market Risk Comprises of Foreign Currency Exchange Rate Risk, Interest Rate Risk & Equity Price Risk

i) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the Statement of Profit and Loss and Equity, where any transactions are denominated in a currency other than the functional currency of the Company.

The Company's Exchange Rate Risk exposure is primarily due to Trade Payables, Trade Receivables and Borrowings in the form of Buyers' Credit denominated in foreign currencies. The Company uses foreign exchange and forward contracts primarily to hedge foreign exchange exposure.

An appreciation/depreciation of the foreign currencies with respect to functional currency of the Company by 1% would result in an decrease/increase in the Company's Net Profit before Tax by approximately ₹ 0.46 lakhs for the year ended March 31, 2020 (March 31, 2019 : - ₹ 2.05 lakhs)

ii) Interest Rate Risk

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

iii) Equity Price Risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The Company has made investments in its subsidiaries, hence the Company is not primarily exposed to equity price risk.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

b) Liquidity Risk -

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

The Company has obtained fund and non-fund based working capital facilities from various banks. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The following table shows a maturity analysis of the Company's Financial Liabilities on the basis of undiscounted contractual payments :

| Particulars | March 31, 2020 | March 31, 2019 |
|-----------------------------|----------------|----------------|
| One Year or less | | |
| Borrowings | 5,975.35 | 5,508.16 |
| Trade Payables | 8,659.58 | 7,016.49 |
| Other Financial Liabilities | 739.74 | 1,430.34 |
| More than One Year | | |
| Borrowings | 6,652.26 | 5,998.89 |
| Trade Payables | 3,184.00 | 2,959.78 |
| Other Financial Liabilities | - | - |

c) Credit Risk -

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

- 44 Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
- 45 The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.
- 46 Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

As per our Report attached of even date

For **S Bhalotia & Associates**

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

INDEPENDENT AUDITORS' REPORT

To the Members of Manaksia Coated Metals & Industries Limited

Report on the audit of Consolidated Ind AS financial statements

Opinion

We have audited the accompanying consolidated financial statements of Manaksia Coated Metals & Industries Limited ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 44 to the financial statements in relation to outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Revenue Recognition

We have identified this as an area of importance because the Group's revenue is a material item in view of adoption of Ind AS 115 "Revenue from Contracts with Customers".

The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period and disclosures thereof.

Our audit procedures included but were not limited to:

- Evaluation of the Group's accounting principles in relation to implementation of the new revenue accounting standard;
- Created an understanding of the Group's routines and internal controls associated with revenue recognition;
- Examination of a selection of transactions to ensure that they have been reported correctly according to agreements and in the correct periods;

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it related to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by other auditors.

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 and those charge with governance for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statements

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

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

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

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

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of ₹ 2,285.78 lakhs (PY ₹ 2,179.98 lakhs) as at 31st March, 2020, total revenue of ₹ 109.92 lakhs (PY 1,461.40 lakhs), and Net (loss) before tax of ₹ -208.43 lakhs (PY ₹ -68.46 lakhs) for the year ended 31st March, 2020, as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, 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 Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 36 of the Consolidated Ind AS financial statements).
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. Bhalotia & Associates**
Chartered Accountants
Firm Registration No.-325040E

Ankit Santhalia
(Partner)

Membership No. 301737
UDIN 20301737AAAABR9381

Place: Kolkata
Dated: 23rd June 2020

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of Manaksia Coated Metals & Industries Limited ("the Holding Company") and its subsidiary incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the 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 consolidated Ind AS 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 qualified audit opinion on the internal financial controls system over financial reporting of the Holding Company and subsidiary company, which is company incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of

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

Opinion

In our opinion, the Holding Company and Subsidiary Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to aforesaid subsidiary companies, is based solely on the report of the other auditors.

For **S. Bhalotia & Associates**
Chartered Accountants
Firm Registration No.-325040E

Ankit Santhalia
(Partner)

Membership No. 301737
UDIN 20301737AAAAABR9381

Place: Kolkata
Dated: 23rd June 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lacs)

| | Notes | As at March 31, 2020 | As at March 31, 2019 |
|---|-------|-------------------------|-------------------------|
| ASSETS | | | |
| I. Non-Current Assets | | | |
| a) Property, Plant and Equipment | 3 | 14,440.79 | 14,835.42 |
| b) Capital Work-in-Progress | 3 | 4,480.04 | 4,725.78 |
| c) Financial Assets | | | |
| i) Investments | 4 | 0.06 | 0.06 |
| ii) Loans | 5 | 52.34 | 52.34 |
| iii) Other Financial Assets | 6 | 48.13 | 40.75 |
| | | 19,021.36 | 19,654.35 |
| II. Current Assets | | | |
| a) Inventories | 7 | 12,377.35 | 8,758.25 |
| b) Financial Assets | | | |
| i) Trade Receivables | 8 | 2,509.21 | 2,522.68 |
| ii) Cash and Cash Equivalents | 9 | 87.63 | 42.39 |
| iii) Other Bank Balances | 10 | 900.90 | 428.67 |
| iv) Loans | 11 | 25.03 | 25.03 |
| v) Other Financial Assets | 12 | 52.95 | 75.71 |
| c) Current Tax Assets (Net) | 13 | 12.85 | - |
| d) Other Current Assets | 14 | 3,155.98 | 3,877.38 |
| | | 19,121.89 | 15,730.11 |
| TOTAL ASSETS | | 38,143.25 | 35,384.46 |
| EQUITY AND LIABILITIES | | | |
| III. Equity | | | |
| a) Equity Share Capital | 15 | 655.34 | 655.34 |
| b) Other Equity | 16 | 8,668.45 | 8,266.73 |
| | | 9,323.79 | 8,922.07 |
| IV. Non-Current Liabilities | | | |
| a) a) Financial Liabilities | | | |
| i) Borrowings | 17 | 6,766.08 | 6,192.64 |
| ii) Trade Payables | 18 | 3,184.00 | 2,959.78 |
| b) Provisions | 19 | 77.29 | 71.97 |
| c) Deferred Tax Liabilities | 20 | 1,258.10 | 1,497.90 |
| d) Other Non- Current Liabilities | 21 | 603.12 | 538.96 |
| | | 11,888.59 | 11,261.25 |
| V. Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 22 | 6,334.06 | 5,656.38 |
| ii) Trade Payables | 23 | | |
| A) total outstanding dues of micro, small and medium enterprises; and | | 400.54 | 112.26 |
| B) total outstanding dues of creditors other than micro, small and medium enterprises | | 8,382.60 | 7,020.92 |
| iii) Other Financial Liabilities | 24 | 823.74 | 1,502.34 |
| b) Other Current Liabilities | 25 | 982.67 | 886.11 |
| c) Provisions | 26 | 7.26 | 6.16 |
| d) Current Tax Liabilities (Net) | 27 | - | 16.96 |
| | | 16,930.87 | 15,201.14 |
| TOTAL EQUITY AND LIABILITIES | | 38,143.25 | 35,384.46 |
| Significant Accounting Policies | 2 | | |
| Notes to Financial Statements | 3-46 | | |

As per our Report attached of even date

For and on behalf of the Board of Directors

 For **S Bhalotia & Associates**
Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia
(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

Sushil Kumar Agrawal
(Managing Director)

DIN - 00091793

Mahendra Kumar Bang
(Chief Financial Officer)
Karan Agrawal
(Whole Time Director)

DIN - 05348309

Sailja Gupta
(Company Secretary)

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

(₹ in Lacs)

| | Notes | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-------|--------------------------------------|--------------------------------------|
| I. INCOME | | | |
| Revenue from Operations | 28 | 24,692.65 | 26,450.91 |
| Other Income | 29 | 127.65 | 428.22 |
| Total Income | | 24,820.30 | 26,879.13 |
| II. EXPENSES | | | |
| Cost of Materials Consumed (including Trading Goods) | 30 | 20,711.09 | 20,629.02 |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 31 | (3,682.93) | (1,948.00) |
| Excise Duty on Sale of Goods | | - | - |
| Employee Benefits Expense | 32 | 1,338.92 | 1,165.56 |
| Finance Costs | 33 | 1,736.69 | 1,421.66 |
| Depreciation and Amortization Expense | 3 | 896.03 | 1,015.58 |
| Other Expenses | 34 | 3,740.59 | 4,384.00 |
| Total Expenses | | 24,740.39 | 26,667.82 |
| III. Profit before Tax | | 79.91 | 211.31 |
| IV. Tax Expenses | 35 | | |
| Current Tax | | - | 69.00 |
| Tax for Earlier year | | 41.11 | - |
| Deferred Tax | | (240.65) | 183.65 |
| Total Tax Expenses | | (199.54) | 252.65 |
| V. Profit for the period | | 279.45 | (41.34) |
| VI. Other Comprehensive Income/(Loss) | | | |
| A. (i) Items that will not be reclassified subsequently to Profit and Loss | | | |
| (a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans | | 3.48 | 2.22 |
| (ii) Tax on Items that will not be reclassified subsequently to Profit and Loss | | (0.85) | (0.74) |
| B. (i) Items that will be reclassified subsequently to Profit and Loss | | | |
| (a) Exchange differences in translating the financial statements of a foreign operation | | 119.64 | 68.46 |
| VII. Total Comprehensive Income for the period | | 401.72 | 28.60 |
| VIII. Basic and Diluted Earnings per Equity Share of Face Value of ₹ 1/- each | 36 | ₹ 0.43 | ₹ -0.06 |
| Significant Accounting Policies | 2 | | |
| Notes to Financial Statements | 3-46 | | |

As per our Report attached of even date

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

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

(₹ in Lacs)

A. EQUITY SHARE CAPITAL

| | |
|---|---------------|
| Balance as at April 01, 2018 | 655.34 |
| Changes in Equity Share Capital during the year 2018-19 | - |
| Balance as at March 31, 2019 | 655.34 |
| Changes in Equity Share Capital during the year 2019-20 | - |
| Balance as at March 31, 2020 | 655.34 |

B. OTHER EQUITY

| | Reserves and Surplus | | | | | Other Comprehensive Income | | Total Other Equity |
|-------------------------------------|----------------------|-----------------------|----------------------|--------------------|----------------------|---|--|--------------------------|
| | Capital Reserve | Securities Premium | Statutory Reserve | General Reserve | Retained Earnings | Foreign Currency Translation Reserve | Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans | |
| Balance as at April 01, 2018 | 5.00 | 3,120.83 | 15.88 | 4,800.96 | 299.33 | 5.71 | (9.58) | 8,238.13 |
| Profit for the period | - | - | - | - | (41.34) | - | - | (41.34) |
| Transfer from Retained Earnings | - | - | 15.47 | - | (15.47) | - | - | - |
| Addition During the year | - | - | - | - | - | - | - | - |
| Other Comprehensive Income | - | - | - | - | - | 68.46 | 1.48 | 69.94 |
| Balance as at March 31, 2019 | 5.00 | 3,120.83 | 31.35 | 4,800.96 | 242.52 | 74.17 | (8.10) | 8,266.73 |
| Balance as at April 01, 2019 | 5.00 | 3,120.83 | 31.35 | 4,800.96 | 242.52 | 74.17 | (8.10) | 8,266.73 |
| Profit for the period | - | - | - | - | 279.45 | - | - | 279.45 |
| Transfer from Retained Earnings | - | - | - | - | - | - | - | - |
| Addition During the year | - | - | - | - | - | - | - | - |
| Other Comprehensive Income | - | - | - | - | - | 119.64 | 2.63 | 122.27 |
| Balance as at March 31, 2020 | 5.00 | 3,120.83 | 31.35 | 4,800.96 | 521.97 | 193.81 | (5.47) | 8,668.45 |

Nature and Purpose of Reserves :

- Capital Reserve** : In terms of an earlier Scheme of Demerger, Share Capital of Rs 5 lacs prior to such Demerger, had been transferred to Capital Reserve Account.
- Securities Premium** : This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- Statutory Reserve**: This reserve is created in foreign subsidiary as per the local laws.
- Foreign Currency Translation Reserve** : The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees and is presented within equity in the foreign currency translation reserve.
- General Reserve** : This reserve is a free reserve which is used from time to time to transfer profits from retained earnings and can be utilized in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings** : This reserve represents cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013
- Other Comprehensive Income Reserves** : This reserve represents effect of remeasurements of defined benefit plans that will not be reclassified to Statement of Profit & Loss.

As per our Report attached of even date

 For **S Bhalotia & Associates**
Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia
(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors
Sushil Kumar Agrawal
(Managing Director)

DIN - 00091793

Mahendra Kumar Bang
(Chief Financial Officer)
Karan Agrawal
(Whole Time Director)

DIN - 05348309

Sailja Gupta
(Company Secretary)

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

(₹ in Lacs)

| PARTICULARS | March 31, 2020 | March 31, 2019 |
|---|-----------------|-------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before Tax : | 79.91 | 211.31 |
| Adjustment for: | | |
| Depreciation/Amortisation | 896.03 | 1,015.58 |
| Finance Cost (Net) | 1,621.08 | 1,325.43 |
| Profit on PPE Sold/Discarded (Net) | 6.36 | 5.04 |
| Gain/Loss from Current Investments | - | - |
| Operating Profit before Working Capital Changes | 2,603.38 | 2,557.36 |
| Adjustments for: | | |
| (Increase)/Decrease in Non-Current/Current Financial and other Assets | 278.02 | 2,028.42 |
| (Increase)/Decrease in Inventories | (3,619.10) | (3,705.57) |
| Increase/(Decrease) in Non Current/Current Financial and Other Liabilities/Provisions | 1,366.19 | 4,147.99 |
| Liabilities/Provisions | - | - |
| Cash Generated from Operations | 628.50 | 5,028.20 |
| Direct Taxes Paid | (70.92) | (134.45) |
| Net Cash Flow from Operating Activities | 557.58 | 4,893.75 |
| B: CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets and change in Capital work in progress | (409.82) | (4,747.10) |
| Sale of Fixed Assets | 147.81 | 249.67 |
| Loans given | 0.00 | (7.24) |
| Interest Received | 115.61 | 96.23 |
| Purchase of Current Investments | - | - |
| Sale of Current Investments | - | - |
| Net Cash Flow from/(Used in) Investing Activities | (146.40) | (4,408.44) |
| C: CASH FLOW FROM FINANCING ACTIVITIES: | | |
| (Repayment of)/ Proceeds from Short Term Borrowings (Net) | 1,251.12 | 158.77 |
| Interest Paid | (1,736.69) | (1,434.52) |
| Net Cash Flow From/(Used in) Financing Activities | (485.57) | (1,275.75) |
| D: Net Increase/(Decrease) in Cash and Cash Equivalents | (74.40) | (790.44) |
| Cash and Cash Equivalents at the beginning of the period | 42.39 | 764.37 |
| Effect of Foreign Currency Translation during the year | 119.64 | 68.46 |
| Cash and Cash Equivalents at the end of the period | 87.63 | 42.39 |

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our Report attached of even date

For and on behalf of the Board of Directors

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

1. Company Overview

The consolidated financial statements comprise financial statements of Manaksia Coated Metals & Industries Limited ("the Company") and its subsidiaries (collectively, "the Group") for the year ended March 31, 2019.

Manaksia Coated Metals & Industries Limited ("the Company") is a public limited company incorporated in India having its registered office situated at 8/1, Lal Bazar Street, Bikaner Building, Kolkata - 700 001. The Company has its shares listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the manufacture of Mosquito Repellent Coils and value-added secondary metal products like Galvanised Corrugated Sheets, Galvanised Plain Sheets, Colour Coated (Pre-painted) Sheets, etc. The manufacturing units of the Company are located at Kutch, Hyderabad, Guwahati and Bhopal.

List of Subsidiaries included in the Consolidated Financial Statements are as under:

| Name of Subsidiary Company | Country of Incorporation | Extent of Holding |
|----------------------------|--------------------------|-------------------|
| Manaksia International FZE | United Arab Emirates | 100% |
| JPA Snacks Private Limited | India | 100% |

2. Significant Accounting Policies

1) Basis of Preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. These financial statements are prepared under the historical cost convention on the accrual basis except for certain items of assets and liabilities which have been measured at their fair values.

(b) Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

(c) Basis of measurement

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

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Assets held for sale-measured at the lower of its carrying amount and fair value less costs to sell; and
- (iii) Employee's defined benefit plan as per actuarial valuation.

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

(d) Use of estimates and judgments

The preparation of the Group's Consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Consolidated financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The changes in the estimates are reflected in the Consolidated financial

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

II) Basis of Consolidation

The consolidated financial statements comprise financial statements of the Company and its Subsidiaries and have been prepared in accordance with Indian Accounting Standard for Consolidated Financial Statements (IND AS 110), prescribed under section 133 of the Companies Act, 2013 ('Act'). Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.
- ii) The difference between the cost of investment in the Subsidiaries over its proportionate share in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill.
Changes in parents ownership interest in subsidiary that do not result in the parent losing control of the subsidiary are recognised directly in equity.
- iii) Non controlling interest in net profit/loss of the Subsidiaries for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders' of the company. Non controlling interest in net assets of the subsidiaries is identified and presented separately in Consolidated Financial Statements.
- iv) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements.
- v) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company.

III) Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquire. For each business combination, the Group elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

IV) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms.

Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established. Interest income is recognized using the effective interest method.

V) Property, Plant & Equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalised till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows :

| | |
|-------------------|---------------|
| Building | 30 Years |
| Plant & Equipment | 10 - 20 Years |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

| | |
|----------------------|--------------|
| Computers | 3 Years |
| Office Equipment | 3 - 5 Years |
| Furniture & Fixtures | 5 - 10 Years |
| Vehicles | 8 Years |

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other 'Non-Current Assets' Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

VI) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

VII) Inventories

Inventories are valued at cost or net realisable value whichever is lower except for saleable scraps, whose cost is not identifiable, which are valued at estimated net realisable value. Closing stock has been valued on Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

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

VIII) Financial Instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

a) Financial assets carried at amortized cost

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

b) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

Derecognition of financial instruments

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. 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.

IX) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

X) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit) Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

XI) Provisions and Contingent Liabilities

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

XII) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee (rounded off to the nearest Lacs).

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the yearend are translated at the yearend exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

XIII) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

XIV) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of the defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Company recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

XV) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

XVI) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit & Loss over the lease term.

XVII) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

XVIII) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XIX) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

XX) Current and Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period, or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent.

XXI) Dividend

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

XXII) Rounding of Amounts

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Lacs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

XXIII) Recent Accounting Pronouncements

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Company is currently evaluating the implications of Ind AS 116 on the financial statements. The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income Taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing Costs
4. Ind AS 28 – Investment in Associates and Joint Ventures
5. Ind AS 103 and Ind AS 111 – Business Combinations and Joint Arrangements
6. Ind AS 109 – Financial Instruments
7. Ind AS 19 – Employee Benefits

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

3 PROPERTY, PLANT & EQUIPMENT (Current Year)

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|---------------------------------|----------------------|---------------|----------------------|-----------------------|-----------------------------|-------------------------|---------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2019 | Addition | Deletion/ Adjustment | As at 31st March 2020 | As at 1st April 2019 | Deductions/ Adjustments | For the Year | Up to 31st March 2020 | As at 31st March 2020 | As at 31st March 2019 |
| Tangible Assets : | | | | | | | | | | |
| a) Land | 47.75 | - | - | 47.75 | - | - | - | - | 47.75 | 47.75 |
| b) Leasehold Land | 99.37 | - | - | 99.37 | 6.30 | - | 2.10 | 8.40 | 90.97 | 93.07 |
| c) Building | 3,781.89 | 3.53 | 167.83 | 3,617.59 | 366.17 | 47.29 | 150.51 | 469.39 | 3,148.20 | 3,415.72 |
| d) Plant & Equipment | 12,845.26 | 630.37 | 91.31 | 13,384.32 | 1,781.84 | 57.68 | 700.10 | 2,424.26 | 10,960.06 | 11,063.42 |
| e) Computers | 9.37 | 7.91 | - | 17.28 | 5.92 | - | 1.29 | 7.21 | 10.07 | 3.45 |
| f) Office Equipment | 21.88 | - | - | 21.88 | 11.20 | - | 2.65 | 13.85 | 8.03 | 10.68 |
| g) Furniture & Fixtures | 55.73 | 13.76 | - | 69.49 | 15.77 | - | 5.65 | 21.42 | 48.07 | 39.96 |
| h) Vehicles | 278.31 | - | - | 278.31 | 116.94 | - | 33.73 | 150.67 | 127.64 | 161.37 |
| Total : | 17,139.56 | 655.57 | 259.14 | 17,535.99 | 2,304.14 | 104.97 | 896.03 | 3,095.20 | 14,440.79 | 14,835.42 |
| Capital Work in Progress | 4,725.78 | 324.54 | 570.28 | 4,480.04 | - | - | - | - | 4,480.04 | 4,725.78 |

PROPERTY, PLANT & EQUIPMENT (Previous Year)

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|---------------------------------|----------------------|-----------------|----------------------|-----------------------|-----------------------------|-------------------------|-----------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2018 | Addition | Deletion/ Adjustment | As at 31st March 2019 | As at 1st April 2018 | Deductions/ Adjustments | For the Year | Up to 31st March 2019 | As at 31st March 2019 | As at 31st March 2018 |
| Tangible Assets : | | | | | | | | | | |
| a) Land | 47.75 | - | - | 47.75 | - | - | - | - | 47.75 | 47.75 |
| b) Leasehold Land | 99.37 | - | - | 99.37 | 4.20 | - | 2.10 | 6.30 | 93.07 | 95.17 |
| c) Building | 3,707.67 | 74.22 | - | 3,781.89 | 218.00 | - | 148.17 | 366.17 | 3,415.72 | 3,489.67 |
| d) Plant & Equipment | 13,042.82 | 320.78 | 518.34 | 12,845.26 | 1,228.62 | 264.13 | 817.35 | 1,781.84 | 11,063.42 | 11,814.20 |
| e) Computers | 8.18 | 1.19 | - | 9.37 | 3.99 | - | 1.93 | 5.92 | 3.45 | 4.19 |
| f) Office Equipment | 21.83 | 0.08 | 0.03 | 21.88 | 7.62 | - | 3.58 | 11.20 | 10.68 | 14.21 |
| g) Furniture & Fixtures | 54.35 | 1.49 | 0.11 | 55.73 | 10.29 | 0.08 | 5.56 | 15.77 | 39.96 | 44.06 |
| h) Vehicles | 278.76 | - | 0.45 | 278.31 | 80.05 | - | 36.89 | 116.94 | 161.37 | 198.71 |
| Total : | 17,260.73 | 397.76 | 518.93 | 17,139.56 | 1,552.77 | 264.21 | 1,015.58 | 2,304.14 | 14,835.42 | 15,707.96 |
| Capital Work in Progress | 376.43 | 4,372.16 | 22.81 | 4,725.78 | - | - | - | - | 4,725.78 | 376.43 |

| | | As at March 31, 2020 | As at March 31, 2019 |
|----------|---|----------------------|----------------------|
| 4 | Investments (Non-Current) | | |
| | Investments carried at Amortised Cost (Unquoted) | | |
| | Investment in Equity Instruments in Subsidiary | | |
| | Manaksia International FZE | - | - |
| | 5554 (50) Shares of AED 1000/- each fully paid up | | |
| | JPA Snacks Private Limited | | |
| | 49,980 (49,980) Shares of Rs. 10/- each fully paid up | - | - |
| | Investment in Government Securities or trust | | |
| | 6 Years National Savings Certificates | 0.06 | 0.06 |
| | Total | 0.06 | 0.06 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| 5 Loans (Non-Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Security Deposits | 52.34 | 52.34 |
| Total | 52.34 | 52.34 |
| 6 Other Financial Assets (Non-Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Fixed Deposits with Banks with original maturity of More than 12 months | 48.13 | 40.75 |
| Total | 48.13 | 40.75 |
| 7 Inventories | | |
| At Lower of Cost or Net Realisable Value | | |
| Raw Materials | 4,531.14 | 4,604.47 |
| Work-in-Process | 2,796.00 | 1,820.98 |
| Finished Goods | 4,749.67 | 2,054.42 |
| Stores & Spares | 269.96 | 260.46 |
| At Estimated Realisable Value | | |
| Scraps | 30.58 | 17.92 |
| Total | 12,377.35 | 8,758.25 |
| 8 Trade Receivables | | |
| Financial Assets carried at Amortised Cost (Uninvestment in Mutual Funds (Quoted) (Unsecured, Considered Good) | | |
| Trade Receivables | 2,509.21 | 2,522.68 |
| Total | 2,509.21 | 2,522.68 |
| 9 Cash and Cash Equivalents | | |
| Financial Assets carried at Amortised Cost | | |
| Balances with Banks | 24.39 | 23.12 |
| Cheques on Hand | - | - |
| Cash on Hand | 63.24 | 19.27 |
| Fixed Deposits with Banks with original maturity of 3 months or less | - | - |
| Total | 87.63 | 42.39 |
| 10 Other Bank Balances | | |
| Financial Assets carried at Amortised Cost | | |
| Fixed Deposits with Banks with original maturity of More than 3 months but less than 12 months | 900.90 | 428.67 |
| Total | 900.90 | 428.67 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| 11 Loans (Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Loans to Subsidiary Company | - | - |
| Loans to Body Corporates | 25.03 | 25.03 |
| Total | 25.03 | 25.03 |
| 12 Other Financial Assets (Current) | | |
| Financial Assets carried at Amortised Cost (Unsecured, Considered Good) | | |
| Interest Accrued on Fixed Deposit | 8.08 | 17.48 |
| Other Receivable | 44.87 | 58.23 |
| Fair Valuation of Forward Contracts | - | - |
| Total | 52.95 | 75.71 |
| 13 Current Tax Assets (Net) | | |
| Advance Tax Net of Provision | 12.85 | - |
| Total | 12.85 | - |
| 14 Other Current Assets (Unsecured, Considered Good) | | |
| Balances with Statutory Authorities | 680.78 | 1,478.89 |
| Advances to Vendors | 2,047.24 | 2,029.84 |
| Advances against Expenses | 251.40 | 196.60 |
| Prepaid Expenses | 38.67 | 56.68 |
| Others | 137.89 | 115.37 |
| Total | 3,155.98 | 3,877.38 |
| 15 Equity Share Capital | | |
| a) Authorised: | | |
| 7,50,00,000 Equity Shares of Re. 1/- each | 750.00 | 750.00 |
| | 750.00 | 750.00 |
| b) Issued, Subscribed and Paid-up Capital | | |
| 6,55,34,050 Equity Shares of Re. 1/- each fully paid up | 655.34 | 655.34 |
| | 655.34 | 655.34 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

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

| Name of Shareholders | As at March 31, 2020 | | As at March 31, 2019 | |
|------------------------|-------------------------|--------------|-------------------------|--------------|
| | No. of shares | % Holding | No. of shares | % Holding |
| Sushil Kumar Agrawal | 1,31,81,230 | 20.11 | 1,31,81,230 | 20.11 |
| Sunil Kumar Agrawal | 1,23,79,620 | 18.89 | 1,23,79,620 | 18.89 |
| Mahabir Prasad Agarwal | 70,24,990 | 10.72 | 70,24,990 | 10.72 |
| Anirudha Agrawal | 47,76,170 | 7.29 | 47,76,170 | 7.29 |

d) Reconciliation of the shares outstanding is set out below:

| | 2019-20 No. of shares | 2018-19 No. of shares |
|---|--------------------------|--------------------------|
| Equity Shares | | |
| At the beginning of the period | 6,55,34,050 | 6,55,34,050 |
| Add : Changes during the year | - | - |
| Outstanding at the end of the period | 6,55,34,050 | 6,55,34,050 |

e) Terms/rights attached to each class of shares

Equity Shares:

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

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

| | As at March 31, 2020 | As at March 31, 2019 |
|-------------------------------------|-------------------------|-------------------------|
| 16 Other Equity | | |
| A. Securities Premium | | |
| As per last Balance Sheet | 3,120.83 | 3,120.83 |
| Add: Addition during the period | - | - |
| Balance as at the end of the period | 3,120.83 | 3,120.83 |
| B. General Reserve | | |
| As per last Balance Sheet | 4,800.96 | 4,800.96 |
| Add: Addition during the period | - | - |
| Balance as at the end of the period | 4,800.96 | 4,800.96 |
| C. Capital Reserve | | |
| As per last Balance Sheet | 5.00 | 5.00 |
| Add: Addition during the period | - | - |
| Balance as at the end of the period | 5.00 | 5.00 |
| D. Statutory Reserve | | |
| As per last Balance Sheet | 31.35 | 15.88 |
| Add: Addition during the period | - | 15.47 |
| Balance as at the end of the period | 31.35 | 31.35 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | | As at March 31, 2020 | | As at March 31, 2019 | |
|-----------|--|-------------------------|-----------------|-------------------------|-----------------|
| E. | Surplus in the statement of profit and loss | | | | |
| | As per last Balance Sheet | 242.52 | | 299.33 | |
| | Add : Profit for the period | 279.45 | | (41.34) | |
| | Less : Transferred to General Reserve | - | | 15.47 | |
| | Balance as at the end of the period | | 521.97 | | 242.52 |
| F. | Other Comprehensive Income | | | | |
| | i) Foreign Currency Translation Reserve | | | | |
| | As per last Balance Sheet | 74.17 | | 5.71 | |
| | Add: Addition during the period | 119.64 | | 68.46 | |
| | Balance as at the end of the period | | 193.81 | | 74.17 |
| | ii) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans | | | | |
| | As per last Balance Sheet | (8.10) | | (9.58) | |
| | Add: Addition during the period | 2.63 | | 1.48 | |
| | Balance as at the end of the period | | (5.47) | | (8.10) |
| | Total | | 8,668.45 | | 8,266.73 |

| 17 | Borrowings (Non- Current) | | |
|-----------|--|-----------------|-----------------|
| | Financial Liabilities carried at Amortised Cost | | |
| | Secured | | |
| | Term Loans form Banks | | |
| | Rupee Loan | 2,911.84 | 3,535.55 |
| | Less: Current Maturity (Refer Note 24) | 689.82 | 842.32 |
| | | 2,222.02 | 2,693.23 |
| | Term Loans From Financial Institutions | | |
| | Rupee Loan | 128.26 | 149.15 |
| | Less: Current Maturity (Refer Note 24) | 25.68 | 20.87 |
| | | 102.58 | 128.28 |
| | Vehicle Loan | 4.80 | 18.22 |
| | Less: Current Maturity (Refer Note 24) | 4.80 | 13.42 |
| | | - | 4.80 |
| | Unsecured | | |
| | Loans from NBFC | 4.49 | 46.71 |
| | Less: Current Maturity (Refer Note 24) | 4.49 | 39.53 |
| | | - | 7.18 |
| | Loans from Related Party (Refer Note 39) | 1,612.77 | 2,049.28 |
| | Loans from Directors (Refer Note 39) | 604.20 | 387.12 |
| | Loans from Body Corporate | 2,224.51 | 922.75 |
| | Loans from Others | - | - |
| | Total | 6,766.08 | 6,192.64 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

Borrowings (Non- Current) (Contd.)

(i) Repayment terms and nature of securities given for term loan from bank as follows :

| Name of the Bank / instrument | Nature of security | Repayment terms | March 31, 2020 | March 31, 2019 |
|---------------------------------------|---|--|----------------|----------------|
| Secured | | | | |
| UCO Bank | First pari passu charge on entire Fixed Asset (Movable & Immovable) of Kutch Unit and Second pari passu charge on entire Company's current assets | Principal Repayable in 20 equal Quarterly installment commencing from Sep, 2018. Interest to be serviced on monthly basis as and when due. | 2,683.64 | 3,229.14 |
| ICICI Bank | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 47 equal Monthly instalment of Rs.1,13,888/- each commencing from November, 2018. Interest @ 9.30%. | 30.38 | 40.66 |
| Dewan Housing Finance Corporation Ltd | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 60 equal Monthly instalment of Rs.3,35,576/- each commencing from May, 2019. Interest @ 12.50%. | 128.26 | 149.15 |
| ICICI Bank | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of Rs.19,812/- each commencing from September, 2016. Interest @ 10%. | 0.97 | 0.97 |
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of Rs.21,038/- each commencing from September, 2017. | 1.03 | 3.36 |
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 35 equal Monthly instalment of Rs.69,746/- each commencing from September, 2017. | 2.74 | 10.53 |
| Tata Motors Finance Limited | Exclusive hypothecation charge over the machinery/ equipments acquired under facilities out of the said loan. | Repayable in 36 equal Monthly instalment of Rs.21,038/- each commencing from September, 2017. | 1.03 | 3.36 |
| Axis Bank Ltd | Hypothecation charge over the movable fixed assets & machinery/equipments acquired under facilities out of the said loan. | Repayable in 48 Instalments by ballooning method Monthly instalment, commencing from June, 2017. Interest @ 10.50% | 197.82 | 265.75 |

| | | As at March 31, 2020 | As at March 31, 2019 |
|-----------|--|-------------------------|-------------------------|
| 18 | Trade Payables (Non- Current) | | |
| | Financial Liabilities carried at Amortised Cost | | |
| | Micro, Small and Medium Enterprises | - | - |
| | Others | 3,184.00 | 2,959.78 |
| | Total | 3,184.00 | 2,959.78 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|------------------------------------|-------------------------|-------------------------|
| 19 Provisions (Non-Current) | | |
| Provisions for Employee Benefits | | |
| Gratuity (Refer Note 40) | 77.29 | 71.97 |
| Total | 77.29 | 71.97 |

| | | |
|---|-----------------|-----------------|
| 20 Deferred Tax Liability (Net) | | |
| Deferred Tax Liability | | |
| Timing difference in depreciable assets | 1,279.53 | 1,525.35 |
| Deferred Tax Asset | | |
| Expenses allowable against taxable income in future years | (21.43) | (27.45) |
| Net Deferred Tax Liability | 1,258.10 | 1,497.90 |

| | | |
|---|---------------|---------------|
| 21 Other Non-Current Liabilities | | |
| Deferred Payment Liabilities (Under Sales Tax Deferment Scheme Interest Free) | 505.37 | 456.71 |
| Deferred Government Grant* | 97.75 | 82.25 |
| Total | 603.12 | 538.96 |

* To be amortised to income over the life of the asset against which such grants are received/receivable

| | | |
|--|-----------------|-----------------|
| 22 Borrowings (Current) | | |
| Financial Liabilities carried at Amortised Cost | | |
| Secured | | |
| From Banks | | |
| Loans Repayable on Demand | | |
| Foreign Currency Loan | - | - |
| Rupee Loan | 6,334.06 | 5,656.38 |
| Buyers' Credit | - | - |
| Total | 6,334.06 | 5,656.38 |

Notes :

The Company's Working Capital facilities are secured by First Charge on the current assets and second charge on Immovable Fixed Assets ranking pari passu with the respective Working Capital Bankers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | | As at March 31, 2020 | As at March 31, 2019 |
|-----------|--|-------------------------|-------------------------|
| 23 | Trade Payables | | |
| | Financial Liabilities carried at Amortised Cost | | |
| | Micro, Small and Medium Enterprises [refer note (a) below] | 400.54 | 112.26 |
| | Others | 8,382.60 | 7,020.92 |
| | Total | 8,783.14 | 7,133.18 |

| | | | |
|------------|---|--------|---|
| (a) | Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006 | | |
| (i) | the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year | 400.54 | - |
| | Principal amount due to micro and small enterprise Interest due on above | - | - |
| (ii) | the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (iii) | the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (iv) | the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (v) | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

| | | | |
|-----------|--|---------------|-----------------|
| 24 | Other Financial Liabilities (Current) | | |
| | Financial Liabilities carried at Amortised Cost | | |
| | Interest accrued and due on borrowings | - | - |
| | Employee Benefits | 60.59 | 83.02 |
| | (Gain)/Loss on Fair Valuation of Forward Contracts | - | - |
| | Current Maturity of Term Loans (Refer Note 17) | 724.79 | 916.14 |
| | Others | 38.36 | 503.18 |
| | Total | 823.74 | 1,502.34 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | As at March 31, 2020 | As at March 31, 2019 |
|---|-------------------------|-------------------------|
| 25 Other Current Liabilities | | |
| Advances from Customers | 560.68 | 494.13 |
| Statutory Dues | 114.42 | 93.88 |
| Deferred Payment Liabilities (Under Sales Tax Deferment Scheme Interest Free) | 135.99 | 135.99 |
| Deferred Government Grant* | 9.40 | 9.40 |
| Others | 162.18 | 152.71 |
| Total | 982.67 | 886.11 |

* To be amortised to income over the life of the asset against which such grants are received/receivable

| | | |
|--------------------------------------|-------------|-------------|
| 26 Provisions (Current) | | |
| Provisions for Employee Benefits | | |
| Gratuity (Refer Note 40) | 7.26 | 6.16 |
| Provisions for Excise Duty on Stocks | - | - |
| Total | 7.26 | 6.16 |

| | | |
|---|----------|--------------|
| 27 Current Tax Liabilities (Net) | | |
| Provision for Income Tax (Net of Advance Tax) | - | 16.96 |
| Total | - | 16.96 |

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------------------------------|---|---|
| 28 Revenue from Operations | | |
| Sale of Products | 24,467.72 | 26,344.27 |
| Other Operating Income | 224.93 | 106.64 |
| Total | 24,692.65 | 26,450.91 |

| | | |
|---|---------------|---------------|
| 29 Other Income | | |
| Income from Current Investment: | | |
| Profit on Redemption of Mutual Funds | - | - |
| Interest Income | 115.61 | 96.23 |
| Foreign Currency Fluctuation Gain (Net) | - | 114.57 |
| Profit on Sale of Property, plant & equipment | - | - |
| Rental Income | - | 60.00 |
| Insurance Claim | 0.35 | 6.86 |
| Income on Government Grant | 9.40 | 9.40 |
| Commission Received | 2.29 | 114.60 |
| Other Miscellaneous Income | - | 26.56 |
| Total | 127.65 | 428.22 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|---|---|
| 30 Cost of Materials Consumed | | |
| Opening Stock | 4,604.47 | 2,836.94 |
| Add : Purchases including Procurement Expenses | 20,637.75 | 22,396.55 |
| Less : Closing Stock | 4,531.13 | 4,604.47 |
| Total | 20,711.09 | 20,629.02 |

| 31 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | | |
|---|-------------------|-------------------|
| Opening Stock | | |
| Finished Goods | 2,054.42 | 631.91 |
| Work in Progress | 1,820.98 | 1,282.66 |
| Scrap | 17.92 | 30.75 |
| | 3,893.32 | 1,945.32 |
| Closing Stock | | |
| Finished Goods | 4,749.67 | 2,054.42 |
| Work in Progress | 2,796.00 | 1,820.98 |
| Scrap | 30.58 | 17.92 |
| | 7,576.25 | 3,893.32 |
| Total | (3,682.93) | (1,948.00) |

| 32 Employee Benefits Expense | | |
|---|-----------------|-----------------|
| Salaries, Wages and Bonus | 1,038.22 | 935.82 |
| Contribution to Provident & other funds | 33.03 | 35.94 |
| Staff Welfare Expenses | 267.67 | 193.79 |
| Total | 1,338.92 | 1,165.56 |

| 33 Finance Costs | | |
|-------------------------|-----------------|-----------------|
| Interest Expenses | 1,507.08 | 1,206.63 |
| Other Borrowing Cost | 229.61 | 215.04 |
| Total | 1,736.69 | 1,421.66 |

| 34 Other Expenses | | |
|---------------------------------------|----------|----------|
| Consumption of Stores and Consumables | | |
| Indigenous | 175.95 | 68.77 |
| Imported | - | - |
| Power & Fuel | 1,318.42 | 873.56 |
| Processing Charges | 168.43 | 1,044.18 |
| Carriage Inward | 12.84 | 5.05 |
| Repairs to: | | |
| Building | 45.43 | 33.04 |
| Machinery | 12.96 | 30.62 |
| Others | 12.81 | 40.28 |
| Other Manufacturing Expenses | 17.75 | 195.00 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|-----------|---|---|---|
| 34 | Other Expenses (contd.) | | |
| | Rent | 64.38 | 61.40 |
| | Insurance | 58.19 | 53.44 |
| | Rates & Taxes | 23.06 | 30.38 |
| | Excise Duty on Stock* | - | - |
| | Packing Expenses | 336.15 | 376.66 |
| | Freight, Forwarding and Handling Expenses | 728.60 | 759.99 |
| | Communication Expenses | 11.12 | 14.18 |
| | Travelling & Conveyance | 206.84 | 222.42 |
| | Exchange Fluctuation | 98.58 | - |
| | Auditors' Remuneration | | |
| | As Auditors | 6.75 | 8.09 |
| | For taxation matters | 0.50 | 0.50 |
| | For other services | - | 0.75 |
| | Loss in Sale of Property, plant & equipment | 6.36 | 5.04 |
| | Donations | 0.40 | 13.46 |
| | Commission | 26.67 | 86.50 |
| | Other Miscellaneous Expenses | 408.40 | 460.71 |
| | Total | 3,740.59 | 4,384.00 |

| | | March 31, 2020 | March 31, 2019 |
|------------|---|-----------------|----------------|
| 35 | Effective Tax Reconciliation | | |
| | The reconciliation of Estimated Income Tax to Income Tax Expense is as below : | | |
| | Income Tax Recognised in Statement of Profit & Loss | | |
| I. | Current Tax | | |
| | Current Tax | - | 69.00 |
| | Tax for Earlier year | 41.11 | - |
| | Total Current Tax Provision | 41.11 | 69.00 |
| II. | Deferred Tax | | |
| | Attributable to Origination and reversal of temporary differences (A) | (240.65) | 183.65 |
| | Total Income Tax Expense recognised in the current year | (240.65) | 183.65 |
| | Total Income Tax Expense reported in the Statement of Profit and Loss | (199.54) | 252.65 |
| | Income tax recognised in Other Comprehensive Income | | |
| | Deferred tax relating to Items recognised in other comprehensive income during the year (B) | 0.85 | 0.74 |
| | Total Deferred Tax Provision (A+B) | (239.80) | 184.39 |
| | Total Income Tax Expense recognised in the current year (I+II) | (198.69) | 253.39 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

| | March 31, 2020 | March 31, 2019 |
|--|-----------------|----------------|
| 35 Effective Tax Reconciliation (Contd.) | | |
| Reconciliation of tax expense and the accounting profit for March 31, 2020 and March 31, 2019 | | |
| Profit before Income Taxes | 79.91 | 211.31 |
| Statutory Income Tax rate | 25.168% | 33.384% |
| Expected Income Tax Expense at Statutory Income Tax rate | 20.11 | 70.54 |
| i) Impact of MAT | - | (24.40) |
| ii) Other tax difference | (20.11) | 22.85 |
| Current Tax Provision (A) | - | 69.00 |
| Timing difference in depreciable assets | (245.82) | 185.39 |
| Expenses allowable against taxable income in future years | 6.02 | (1.00) |
| Deferred Tax Provision (B) | (239.80) | 184.39 |
| Tax expenses recognised in the Statement of Profit & Loss (A+B) | (239.80) | 253.39 |

36 Contingencies and Commitments**I) Contingent Liabilities**

Claims against the company/disputed liabilities not acknowledged as Debts

| | March 31, 2020 | March 31, 2019 |
|------------------------------|----------------|----------------|
| Sales Tax | 29.51 | 47.25 |
| Central Excise & Service Tax | 88.00 | 8.54 |
| Total | 117.51 | 55.79 |

II) Guarantees given

| | | |
|----------------|--------------|---------------|
| Bank Guarantee | 49.78 | 295.76 |
| Total | 49.78 | 295.76 |

37 Earnings per share

| | | |
|--|-------------|-------------|
| Profit as per Statement of Profit and Loss (₹ in lacs) | 279.45 | (41.34) |
| Weighted average number of equity shares | 6,55,34,050 | 6,55,34,050 |
| Nominal value per equity share (₹) | 1.00 | 1.00 |
| Earnings per share - Basic and Diluted (₹) | 0.43 | (0.06) |

38 Entry Tax

The Company has made a provision of ₹ Nil Lakhs (Previous Year ₹ Nil Lakhs) towards Entry Tax in relation to matter under litigation/dispute as shown below :

| | | |
|---------------------------------|-------------|-------------|
| Opening Balance | 2.18 | 2.18 |
| Provisions made during the year | - | - |
| Closing Balance | 2.18 | 2.18 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

39 Related Party Transactions
List of Related Parties with whom transactions have taken place during the year

| Key Managerial Personnel | |
|---|---|
| Mr. Sushil Kumar Agrawal | Managing Director |
| Mr. Karan Agrawal | Whole Time Director |
| Mr. Anirudha Agrawal | Whole Time Director |
| Mr. Debasis Banerjee | Whole Time Director |
| Mr. Bharat Begwani | Chief Financial Officer (Upto 22nd May, 2019) |
| Mr. Mahendra Kumar Bang | Chief Financial Officer (w.e.f. 29th May, 2019) |
| Ms. Sailja Gupta | Company Secretary |
| Other Directors | |
| Mr. Ajay Kumar Chakraborty | Independent Director |
| Mrs. Smita Khaitan | Independent Director (Upto 4th June, 2019) |
| Dr. Kali Kumar Chaudhuri | Independent Director (Upto 19th June, 2019) |
| Mr. Siddharth Shanker Roy | Independent Director (w.e.f. 29th May, 2019) |
| Mrs. Gargi Singh | Independent Director (w.e.f. 29th May, 2019) |
| Mr. Sunil Kumar Agrawal | Non-Executive Director |
| Mr. Mahabir Prasad Agrawal | Non-Executive Director |
| Relative of Key Managerial Personnel | |
| Smt. Mruga Agrawal | |
| Mr. Tushar Agrawal | |
| Smt. Manju Agrawal | |
| Smt. Shailaja Agrawal | |
| Smt. Sonia Agrawal | |
| Mr. Devansh Agrawal | |
| Entities over which KMPs and their relatives have significant influence with whom transaction have taken place during the year | |
| Manaksia Aluminium Company Limited | |
| Manaksia Limited | |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table summarises Related-Party Transactions and Balances included in the Financial Statements as at and for the year ended March 31, 2020 and March 31, 2019

A. Summarises Related-Party Transactions

| Nature of Transactions | Key Managerial Personnel & Other Directors | Relative of Key Managerial Personnel | Entities where KMP and relatives have significant influence | Total |
|----------------------------|--|--------------------------------------|---|---------------|
| Salary and Other Benefits | 393.69 | 47.46 | - | 441.14 |
| | <i>388.44</i> | <i>37.20</i> | - | <i>425.64</i> |
| Meeting Fees | 2.30 | - | - | 2.30 |
| | <i>3.60</i> | - | - | <i>3.60</i> |
| Rent Paid | 4.80 | - | - | 4.80 |
| | <i>4.80</i> | - | - | <i>4.80</i> |
| Sale of Goods/License | - | - | 749.22 | 749.22 |
| | - | - | <i>286.03</i> | <i>286.03</i> |
| Purchase of Asset (PPE) | - | - | - | - |
| | - | - | - | - |
| Purchase of Goods/Services | - | - | 699.80 | 699.80 |
| | - | - | <i>214.22</i> | <i>214.22</i> |
| Interest Expense | - | - | 146.97 | 146.97 |
| | - | - | <i>116.65</i> | <i>116.65</i> |
| Interest Income | - | - | - | - |
| | - | - | <i>2.11</i> | <i>2.11</i> |
| Loans & Advances Received | - | - | (550.00) | (550.00) |
| | - | - | <i>550.00</i> | <i>550.00</i> |

B. Details of Outstanding Balances

| Outstanding Balances | Key Managerial Personnel & Other Directors | Relative of Key Managerial Personnel | Entities where KMP and relatives have significant influence | Total |
|--|--|--------------------------------------|---|-----------------|
| Loans & Advances Taken (Incl Interest) | 604.20 | - | 1,612.77 | 2,216.97 |
| | <i>387.12</i> | - | <i>2,049.28</i> | <i>2,436.40</i> |
| Other Payables | - | - | - | - |
| | - | - | - | - |

Note : Figures in italics represent comparative figures of previous years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

40 Employee Benefits
I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

| | March 31, 2020 | March 31, 2019 |
|---|----------------|----------------|
| Employers' Contribution to Provident Fund | 30.51 | 31.15 |

II) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Change in Defined Benefit Obligations :

| | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Present Value of Defined Benefit Obligations at beginning of year | 78.13 | 67.58 |
| Current Service cost | 11.60 | 10.77 |
| Interest cost | 5.70 | 5.13 |
| Past Service Cost | - | - |
| Re-measurement (or Actuarial (gains)/losses) arising from : | | |
| Change in financial assumptions | 6.12 | 2.29 |
| Experience Variance (i.e. Actual experience vs assumptions) | (9.60) | (4.51) |
| Benefits paid | (7.40) | (3.13) |
| Present Value of Defined Benefit Obligations at the end of year | 84.55 | 78.13 |

b) Net Asset/(Liability) recognised in Balance Sheet :

| | | |
|---|----------------|----------------|
| Net Asset/(Liability) recognised in Balance Sheet at beginning of year | (78.13) | (67.58) |
| Expense recognised in Statement of Profit and Loss | 17.30 | 15.90 |
| Expense recognised in Other Comprehensive Income | (3.48) | (2.22) |
| Employer contributions | (7.40) | (3.13) |
| Net Asset/(Liability) recognised in Balance Sheet at end of year | (84.55) | (78.13) |

c) Expenses recognised in the Statement of Profit and Loss consist of :

| | | |
|--|--------------|--------------|
| Current Service Cost | 11.60 | 10.77 |
| Past Service Cost | - | - |
| Loss/(Gain) on settlement | - | - |
| Net Interest Income on the Net Defined Benefit Liability | 5.70 | 5.13 |
| Net Amounts recognised | 17.30 | 15.90 |

d) Expenses recognised in the Other Comprehensive Income consist of :

| | | |
|---|---------------|---------------|
| Actuarial (gains)/losses due to : | | |
| Change in financial assumptions | 6.12 | 2.29 |
| Experience Variance (i.e. Actual experience vs assumptions) | (9.60) | (4.51) |
| Net Amounts recognised | (3.48) | (2.22) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

e) Actuarial Assumptions

| | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Financial Assumptions | | |
| Discount Rate p.a. | 6.60% | 7.30% |
| Rate of increase in salaries p.a. | 5.00% | 5.00% |
| Demographic Assumptions | | |
| Mortality Rate (% of IALM 06-08) | 100.00% | 100.00% |
| Normal Retirement Age | 60 Years | 58 Years |
| Attrition Rates, based on age (% p.a.) | | |
| For all ages | 2.00 | 2.00 |

f) Sensitivity Analysis

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

| | March 31, 2020 | March 31, 2019 |
|-----------------------------------|----------------|----------------|
| Defined Benefit Obligation (Base) | 84.55 | 78.13 |

| Particulars | March 31, 2020 | | March 31, 2019 | |
|--|----------------|----------|----------------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (- / + 1%) | 94.74 | 75.95 | 86.61 | 70.89 |
| % change compared to base due to sensitivity | 12.06% | -10.17% | 10.85% | -9.27% |
| Salary Growth Rate (- / + 1%) | 75.58 | 95.02 | 70.52 | 86.92 |
| % change compared to base due to sensitivity | -10.61% | 12.39% | -9.75% | 11.24% |
| Attrition Rate (- / + 50%) | 83.25 | 85.66 | 76.58 | 79.50 |
| % change compared to base due to sensitivity | -1.53% | 1.32% | -1.99% | 1.75% |
| Mortality Rate (- / + 10%) | 84.30 | 84.79 | 77.87 | 78.40 |
| % change compared to base due to sensitivity | -0.29% | 0.28% | -0.34% | 0.34% |

g) Maturity Profile of Defined Benefit Obligation

| Particulars | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|
| Weighted average duration (based on discounted cash flow) | 12 Years | 11 Years |
| Expected cash flows over the next (valued on undiscounted basis) | | |
| 1 Year | 7.26 | 6.16 |
| 2 to 5 years | 12.79 | 21.10 |
| 6 to 10 years | 38.24 | 34.17 |
| More than 10 years | 148.63 | 132.06 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

h) Summary of Assets and Liability (Balance Sheet Position)

| | March 31, 2020 | March 31, 2019 |
|--------------------------------|----------------|----------------|
| Present value of Obligation | 84.55 | 78.13 |
| Fair Value of Plan Assets | - | - |
| Unrecognized Past Service Cost | - | - |
| Effects of Asset Celling | - | - |
| Net Asset/(Liability) | (84.55) | (78.13) |

i) Windup Liability/Discontinuance Liability

| | | |
|---|--------|-------|
| Discontinuance Liability* | 101.66 | 99.49 |
| Present Value of Obligation | 84.55 | 78.13 |
| Ratio (PV of Obligation/Discontinuance Liability) | 83% | 79% |

* Discontinuance Liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

41 Segment Reporting
l) Business Segment

| Particulars | March 31, 2020 | March 31, 2019 |
|--|------------------|------------------|
| Segment Revenue (Net of Taxes) | | |
| Metal Products | 22,986.44 | 24,148.28 |
| Others | 1,706.21 | 2,302.63 |
| Total | 24,692.65 | 26,450.91 |
| Net Sales/Income from operations | 24,692.65 | 26,450.91 |
| Segment Results | | |
| Segment Results (Profit+)/Loss(-) before Tax & Interest from each segment) : | | |
| Metal Products | 2,534.09 | 2,525.68 |
| Others | (354.86) | (710.54) |
| Total | 2,179.23 | 1,815.14 |
| Less : Interest Expenses | 1,736.69 | 1421.66 |
| | 442.54 | 393.48 |
| Add : Interest (Income) | 115.61 | 96.23 |
| | 558.15 | 489.71 |
| Less : Other un-allocable expenditure net of un-allocable (income) | 478.24 | 278.4 |
| Total Profit/(Loss) before Tax | 79.91 | 211.31 |
| Segment Assets | | |
| Metal Products | 28,632.95 | 28,334.00 |
| Others | 4,922.71 | 5,033.33 |
| Unallocable | 4,587.57 | 2,017.12 |
| Total | 38,143.23 | 35,384.45 |
| Segment Liabilities | | |
| Metal Products | 9,132.65 | 12,701.21 |
| Others | 1,874.60 | 1,694.74 |
| Unallocable | 17,812.20 | 12,066.43 |
| Total | 28,819.45 | 26,462.38 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

II) Geographical Segment

The Company primarily operates out of India and therefore the analysis of geographical segments is demarcated into its Indian and Overseas Operations.

a) Details of Revenue based on geographical location of customers is as below:

| Revenue from Operations | March 31, 2020 | March 31, 2019 |
|-------------------------|------------------|------------------|
| India | 19,109.34 | 20,940.98 |
| Overseas | 5,583.31 | 5,509.93 |
| Total | 24,692.65 | 26,450.91 |

b) Details of Segment Assets based on geographical area is as below:

| Carrying amount of Segment Assets | March 31, 2020 | March 31, 2019 |
|-----------------------------------|------------------|------------------|
| India | 35,118.33 | 32,343.64 |
| Overseas | 3,024.93 | 3,040.82 |
| Total | 38,143.25 | 35,384.46 |

c) Details of Additions to Segment Assets is as below:

| Additions to Fixed Assets including CWIP | March 31, 2020 | March 31, 2019 |
|--|----------------|-----------------|
| India | 409.83 | 4,747.10 |
| Overseas | - | - |
| Total | 409.83 | 4,747.10 |

42 Capital Management

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

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

| Particulars | March 31, 2020 | March 31, 2019 |
|--|------------------|------------------|
| Equity Share Capital | 655.34 | 655.34 |
| Other Equity | 8,668.45 | 8,266.73 |
| Total Equity (A) | 9,323.79 | 8,922.07 |
| Short Term Borrowings (Gross Debt) (B) | 6,334.06 | 5,656.38 |
| long Term Borrowings (Gross Debt) (B) | 6,766.08 | 6,192.64 |
| Total Capital (A+B) | 22,423.93 | 20,771.09 |
| Gross Debt (B) as above | 13,100.14 | 11,849.02 |
| Less: Current Investments | - | - |
| Less: Cash and Cash Equivalents | (87.63) | (42.39) |
| Less: Other Bank Balances | (900.90) | (428.67) |
| Net Debt (C) | 12,111.61 | 11,377.96 |
| Net Debt to Equity (C/A) | 1.30 | 1.28 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

43 Disclosures on Financial Instruments
I) Financial Instruments by Category
As at March 31, 2020

| Particulars | Amortised Cost | Fair Value through PL | Total Carrying Value | Total Fair Value |
|------------------------------------|------------------|-----------------------|----------------------|------------------|
| Financial Assets | | | | |
| Investments | 0.06 | - | 0.06 | 0.06 |
| Trade Receivables | 2,509.21 | - | 2,509.21 | 2,509.21 |
| Cash and Cash Equivalents | 87.63 | - | 87.63 | 87.63 |
| Other Bank Balances | 900.90 | - | 900.90 | 900.90 |
| Loans | 77.37 | - | 77.37 | 77.37 |
| Other Financial Assets | 101.08 | - | 101.08 | 101.08 |
| Total Financial Assets | 3,676.24 | - | 3,676.24 | 3,676.24 |
| Financial Liabilities | | | | |
| Borrowings | 13,100.14 | - | 13,100.14 | 13,100.14 |
| Trade Payables | 11,967.14 | - | 11,967.14 | 11,967.14 |
| Other Financial Liabilities | 823.74 | - | 823.74 | 823.74 |
| Total Financial Liabilities | 25,891.02 | - | 25,891.02 | 25,891.02 |

As at March 31, 2019

| Particulars | Amortised Cost | Fair Value through PL | Total Carrying Value | Total Fair Value |
|------------------------------------|------------------|-----------------------|----------------------|------------------|
| Financial Assets | | | | |
| Investments | 0.06 | - | 0.06 | 0.06 |
| Trade Receivables | 2,522.68 | - | 2,522.68 | 2,522.68 |
| Cash and Cash Equivalents | 42.39 | - | 42.39 | 42.39 |
| Other Bank Balances | 428.67 | - | 428.67 | 428.67 |
| Loans | 77.37 | - | 77.37 | 77.37 |
| Other Financial Assets | 116.46 | - | 116.46 | 116.46 |
| Total Financial Assets | 3,187.63 | - | 3,187.63 | 3,187.63 |
| Financial Liabilities | | | | |
| Borrowings | 11,849.02 | - | 11,849.02 | 11,849.02 |
| Trade Payables | 10,092.96 | - | 10,092.96 | 10,092.96 |
| Other Financial Liabilities | 1,502.34 | - | 1,502.34 | 1,502.34 |
| Total Financial Liabilities | 23,444.32 | - | 23,444.32 | 23,444.32 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

II) Fair Value Hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

| Particulars | Fair Value Hierarchy Level | March 31, 2020 | March 31, 2019 |
|---------------------------------|----------------------------|----------------|----------------|
| Financial Liability | | | |
| Other Financial Asset (Current) | Level 2 | - | 1.17 |

III) Financial Risk Management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company's focus is on foreseeing the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Market Risk -

Market Risk Comprises of Foreign Currency Exchange Rate Risk, Interest Rate Risk & Equity Price Risk

i) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the Statement of Profit and Loss and Equity, where any transactions are denominated in a currency other than the functional currency of the Company.

The Company's Exchange Rate Risk exposure is primarily due to Trade Payables, Trade Receivables and Borrowings in the form of Buyers' Credit denominated in foreign currencies. The Company uses foreign exchange and forward contracts primarily to hedge foreign exchange exposure.

An appreciation/depreciation of the foreign currencies with respect to functional currency of the Company by 1% would result in an decrease/increase in the Company's Net Profit before Tax by approximately ₹ 0.46 lakhs for the year ended March 31, 2020 (March 31, 2019 : - ₹ 2.05 lakhs)

ii) Interest Rate Risk

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

iii) Equity Price Risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The Company has made investments in its subsidiaries, hence the Company is not primarily exposed to equity price risk.

b) Liquidity Risk -

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

The Company has obtained fund and non-fund based working capital facilities from various banks. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

The following table shows a maturity analysis of the Company's Financial Liabilities on the basis of undiscounted contractual payments :

| Particulars | March 31, 2020 | March 31, 2019 |
|-----------------------------|----------------|----------------|
| One Year or less | | |
| Borrowings | 6,334.06 | 5,656.38 |
| Trade Payables | 8,783.14 | 7,133.18 |
| Other Financial Liabilities | 823.74 | 1,502.34 |
| More than One Year | | |
| Borrowings | 6,766.08 | 6,192.64 |
| Trade Payables | 3,184.00 | 2,959.78 |
| Other Financial Liabilities | - | - |

c) Credit Risk -

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

44. Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
45. Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

46 Additional Information**a) Information as at and for the year ended 31st March, 2020**

| Name of the Entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|--|---------------------|------------------------------|---------------------|---|---------------------|---|---------------------|
| | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs |
| Parent : | | | | | | | | |
| Manaksia Coated Metals & Industries Limited | 101.39% | 9,453.51 | 636.97% | 247.24 | 2.15% | 2.63 | 155.12% | 249.87 |
| Foreign Subsidiaries : | | | | | | | | |
| Manaksia International FZE | 15.55% | 1,449.82 | -15.93% | (6.18) | 97.85% | 119.64 | 70.43% | 113.46 |
| Indian Subsidiaries : | | | | | | | | |
| JPA Snacks Pvt. Ltd | -6.41% | (597.54) | -521.06% | (202.25) | 0.00% | - | -125.56% | (202.25) |
| Elimination of Inter-Group | | | | | | | | |
| Transactions | -10.53% | (982.00) | 0.00% | - | 0.00% | - | 0.00% | - |
| Total | 100% | 9,323.79 | 100% | 38.81 | 100% | 122.27 | 100% | 161.08 |

b) Information as at and for the year ended 31st March, 2019

| Name of the Entity | Net Assets, i.e., Total Assets minus Total Liabilities | | Share in Profit | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|--|---------------------|------------------------------|---------------------|---|---------------------|---|---------------------|
| | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs | As a % of Cons. Figure | Amount in ₹ Lacs |
| Parent : | | | | | | | | |
| Manaksia Coated Metals & Industries Limited | 100.46% | 8,962.99 | -65.56% | 27.11 | 2.12% | 1.48 | 100.00% | 28.59 |
| Foreign Subsidiaries : | | | | | | | | |
| Manaksia International FZE | 14.98% | 1,336.37 | -400.65% | 165.67 | 97.88% | 68.46 | 818.92% | 234.13 |
| Indian Subsidiaries : | | | | | | | | |
| JPA Snacks Pvt. Ltd | -4.43% | (395.29) | 566.22% | (234.13) | 0.00% | - | -818.92% | (234.13) |
| Elimination of Inter-Group | | | | | | | | |
| Transactions | -11.01% | (982.00) | 0.00% | - | 0.00% | - | 0.00% | - |
| Total | 100% | 8,922.07 | 100% | (41.35) | 100% | 69.94 | 100% | 28.59 |

As per our Report attached of even date

For S Bhalotia & Associates

Chartered Accountants

Firm Regn. No. 325040E

Ankit Santhalia

(Partner)

Membership No. 301737

Kolkata

23rd day of June, 2020

For and on behalf of the Board of Directors

Sushil Kumar Agrawal

(Managing Director)

DIN - 00091793

Mahendra Kumar Bang

(Chief Financial Officer)

Karan Agrawal

(Whole Time Director)

DIN - 05348309

Sailja Gupta

(Company Secretary)

Form AOC-1

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

(₹ in Lacs)

| Sl. No. | Name of the Subsidiary | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments (excluding Investments made in subsidiaries) | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of shareholding |
|---------|----------------------------|---|---|--|---------------|--------------------|--------------|-------------------|--|----------|------------------------|------------------------|-----------------------|-------------------|-------------------|
| 1 | Manaksia International FZE | 02.08.2015 | 31.03.2020 | AED 1 = 20.55792 INR | 977.00 | 472.82 | 1,643.86 | 194.04 | - | - | (6.18) | - | (6.18) | - | 100% |
| 2 | JPA Snacks Private Ltd | 01.02.2017 | 31.03.2020 | - | 5.00 | (602.54) | 641.92 | 1,239.46 | - | 109.92 | (202.25) | - | (202.25) | - | 100% |

Note : No subsidiaries have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

The Company does not have an associate or a joint venture, therefore, the requirement under this part is not applicable to the Company.

For and on behalf of the Board of Directors

Sushil Kumar Agrawal
(Managing Director)
(DIN: 00091793)

Karan Agrawal
(Whole-time Director)
(DIN:05348309)

Place: Kolkata
Dated: 23rd June, 2020



**Manaksia Coated Metals
& Industries Limited**

8/1, Lal Bazar Street, Bikaner Building, 3rd Floor, Kolkata - 700 001, India

Phone No : +91-33-2243-5053

Email : infomcmil@manaksia.com, Website : www.manaksiacoatedmetals.com

Corporate Identity Number : L27100WB2010PLC144409