BMW Industries Ltd.

Date- 03/09/2019

To
Listing Department
Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata- 700 001

Scrip Code- 12141-CSE

The General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street, Mumbai- 400 001
Scrip Code- 542669

Sub: **Compliance under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

Please find attached the Annual Report for the year ended 31st March, 2019 alongwith the Notice calling 37th Annual General Meeting (AGM) which is scheduled to be dispatched to the shareholders from today onwards, in compliance with the aforesaid Regulation.

This is for your information and records.

Thanking you and yours faithfully,
For BMW Industries Limited

BMW INDUSTRIES LIMITED
Company Secretary

(Arbind Kumar Jain)
Company Secretary
CS Membership No.: A23017

Attached: as above

Regd. Office : 119, Park Street, White House, 3rd Floor, Kolkata - 700 016
Tel : 91 33 2226 8882 ; Telefax : (033) 4007 1704
Email : info@bmwil.co.in, Web : www.bmwil.co.in
CIN : L51109WB1981PLC034212

BMW Industries Limited

(CIN: L51109WB1981PLC034212)

Regd. Office: White House, 3rd Floor, 119, Park Street, Kolkata – 700 016

Notice of the 37th Annual General Meeting

NOTICE is hereby given that 37th Annual General Meeting of the members of BMW Industries Limited (CIN: L51109WB1981PLC034212) will be held on Tuesday, 24th September, 2019 at 11:00 A.M at "Rotary Sadan" 94/2, Chowringee Road, Maidan, Kolkata - 700020 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the company (including Consolidated Financial Statements) for the financial year ended March 31, 2019 together with the Reports of Board of Directors and Auditors in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Financial Statements of the company (including Consolidated Financial Statements) for the financial year ended March 31, 2019 together with the Reports of Board of Directors and Auditors thereon laid before this meeting be and is hereby received, considered and adopted."

Item No. 2 – Approval of Dividend

To confirm and approve the payment of Interim Dividend of Rs. 0.02 per equity share for the financial year ended March 31, 2019 and in this regard pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Interim Dividend of Rs. 0.02 per equity share of Rs. 1/- each fully paid up, approved by the Board of Directors, be and is hereby confirmed for the financial year ended March 31, 2019."

Item No. 3 - Appointment of Mr. Harsh Kumar Bansal as a director liable to retire by rotation

To consider appointment of a Director in place of Mr. Harsh Kumar Bansal (DIN: 00137014) who retires by rotation and being eligible, offers himself for reappointment as a director and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the Provision of Section 152 of the Companies Act, 2013, Mr. Harsh Kumar Bansal (DIN: 00137014), who retires by rotation at this meeting and being eligible has offered himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

Item No. 4 – Ratification of the Remuneration of Cost Auditor

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 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions and subject to necessary approvals, if any, remuneration of Rs 1,50,000 plus goods and services tax as applicable and reimbursement of expenses, out of pocket or otherwise, approved by the Board of Directors, at the recommendation of the Audit Committee, of the Cost Auditor, Sohan Lal Jalan & Associates for the Financial Year 2019 -20, be and is hereby ratified, with further authority to the Board of Directors to alter and/or vary the same in manner, as they may deem fit, proper and desirable, in best interest of the Company and also that the Board is authorized to do all acts and take all such steps, as may be necessary in this connection."

Item No. 5 - Appointment of Mr. Subhash Chandra Gupta, Executive Director of the Company

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

"**RESOLVED THAT** pursuant to recommendation to the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 152, 161 and 197 and other applicable provisions of the Companies Act, 2013, read with the relevant rules there under and the provision of Articles of Association of the Company and such other provisions as may be applicable from time to time, Mr. Subhash Chandra Gupta (DIN: 00056770), be and is hereby appointed as Director of the Company..

RESOLVED FURTHER THAT Mr. Subhash Chandra Gupta be and is hereby appointed as Whole Time Director for a period of 3 years from the date of appointment from 30th May, 2019 to 29th May, 2022 and shall be liable to retire by rotation, at the remuneration and terms and conditions mentioned in the Explanatory Statement and has been approved by the Board of Directors.

RESOLVED FURTHER THAT any of the Director of the Company be and are hereby severally authorised to do, or cause to be done all such acts, deeds and things, and execute, deliver and/or file all such documents, as may be necessary or desirable in connection with and to give effect to the above resolution, including but not limited to filing of requisite forms and returns with the Registrar of Companies, West Bengal, as applicable and to take all necessary actions in this regard."

Item No. 6 – Re-appointment of Mr. Sunil Kumar Parik, Independent Director of the Company

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

"**RESOLVED THAT** pursuant to provisions of Section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation) including any statutory modification(s) or re-enactment thereof for the time being in force and the Provisions if Article of Association of the Company Mr. Sunil Kumar Parik (DIN: 00884149), Independent Director of the company, who has submitted a declaration that he meets the criteria of independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 25th September, 2019 to 24th September, 2024.

RESOLVED FURTHER THAT the Board of Directors and/or the Company secretary be and are hereby severally authorised to do all such act and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 7 – Re-appointment of Mr. Debasish Basu, Independent Director of the Company

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

"**RESOLVED THAT** pursuant to provisions of Section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation) including any statutory modification(s) or re-enactment thereof for the time being in force and the Provisions if Article of Association of the Company Mr. Debasish Basu (DIN: 00581141), Independent Director of the company, who has submitted a declaration that he meets the criteria of independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 25th September, 2019 to 24th September, 2024.

"**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, consent of members of the Company, be and is hereby accorded to the continuation of Mr. Debasish Basu (DIN: 00581141), as an Independent Director of the Company, who shall attain the age of more than 75 years during his appointment as an Independent Director of the Company

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary be and are hereby severally authorised to do all such act and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 8 – Re-appointment of Mr. Rampriya Sharan, Independent Director of the Company

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

"**RESOLVED THAT** pursuant to provisions of Section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation) including any statutory modification(s) or re-enactment thereof for the time being in force and the Provisions if Article of Association of the Company Mr. Rampriya Sharan (DIN: 05304025), Independent Director of the company, who has submitted a declaration that he meets the criteria of independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 25th September, 2019 to 24th September, 2024 including the period from 03rd October, 2022 when he shall attain 75 years of age.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, consent of members of the Company, be and is hereby accorded to the continuation of Mr. Rampriya Sharan (DIN: 05304025), as an Independent Director of the Company, who shall attain the age of 75 years on 03rd October, 2022, during his second term as an Independent Director of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or Company secretary be and are hereby severally authorised to do all such act and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 9 – Re-appointment of Ms Gayatri Singh, Independent Director of the Company

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

"**RESOLVED THAT** pursuant to provisions of Section 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulation) including any statutory modification(s) or re-enactment thereof for the time being in force and the Provisions if Article of Association of the Company Ms Gayatri Singh (DIN: 07031033), Independent Director of the company, who has submitted a declaration that she meets the criteria of independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on her evaluation of performance, the Nomination and Remuneration Committee has recommended her re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, commencing from 21st November, 2019 to 20th November, 2024 including the period from 25th December, 2022 when she shall attain 75 years of age.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, consent of members of the Company, be and is hereby accorded to the continuation of Ms Gayatri Singh (DIN: 07031033), as an Independent Director of the Company, who shall attain the age of 75 years on 25th December, 2022, during her second term as an Independent Director of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary be and are hereby severally authorised to do all such act and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 10 – Maintenance of Register of Members at a place other than the Registered office of the Company

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 provision of Section 94 and other applicable provisions of the Companies Act, 2013 (the Act) read with Companies (Management and Administration) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to maintain and keep the Company's Registers required to be maintained under Section 88 of the Act, at the office of the Company's Registrar and Share Transfer Agent (RTA), M/s ABS Consultant Pvt. Ltd. at Stephen House, Room No. 99, 6th floor, 4 B.B.D. Bag (East), Kolkata – 700 001 and/or at such other place in Kolkata where RTA may shift its office from time to time or such other place as may decided by the Board of Directors from time to time.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this resolution."

By order of the Board

Kolkata
14th August, 2019

Arbind Kumar Jain
Company Secretary
Membership No. A23017

Registered Office:
119, Park Street, White House,
Kolkata – 700016
CIN: L51109WB1981PLC034212
Email: info@bmwil.co.in

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the Company.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the Paid up Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member. The instrument of proxy, in order to be effective, must reach the Registered Office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. Proxy Form in the prescribed format is annexed to this report. Proxies submitted on behalf of limited Companies must be supported by an appropriate resolution/authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.

3. The Register of Members and Share Transfer Books shall remain closed from 18th September, 2019 to 24th September, 2019 (both days inclusive) for the purpose of AGM.(both days inclusive)

4. Members are requested to bring their copies of Attendance Slip duly filled in or attending the AGM.
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. Shareholders desiring any information as regards the accounts, are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.

7. Members who holds the shares in dematerialized form are requested to bring their Client Id and DP Id Nos for easier identification of attendance at the meeting.

8. Members who holds shares in physical form are requested to notify any change in their address/mandate/bank details/e-mail address to ABS Consultant Pvt Ltd, the Registrar and Share Transfer Agent of the Company and always quote their folio number in all correspondence with the Company.
9. Brief particulars of the Directors retiring by rotation / seeking appointment / re-appointment of the Company at the ensuing Annual General Meeting are provided in the "Annexure" to the Notice.

10. Members who still have their holdings in physical form are requested to convert them into dematerialized form.

11. Electronic copy of Notice of the aforesaid AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company's registrar and Share Transfer Agents/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email IDs, physical copies of the Notice of the aforesaid AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Sheet and Proxy Form is being sent.

12. Members are requested to register their email addresses with the Company/ Depository Participant to enable us to send you the Annual Report and Notice etc in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs.

13. The Company has provided facility of e-voting to its members as prescribed under the Companies Act, 2013. The instructions for e-voting are annexed to this Notice.

14. The facility of voting is available at the AGM Venue to those Members who do not cast their vote remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, may attend the AGM but will not be entitled to cast their votes once again.

15. Corporate Members intending to send their authorized representative to attend the AGM, pursuant to section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the meeting.

16. Route Map of the AGM Venue, pursuant to the Secretarial Standard on General Meetings, is also annexed.

17. The instructions for voting through electronic means are as under:

    Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and as per the amended provisions of the Listing Agreement, the Company is pleased to provide its Members the facility to cast their votes on all resolutions set forth in the Notice by electronic means. Voting rights shall be reckoned on the number of shares registered as on 17th

September, 2019. The Company has engaged the services of Central Depository Services (India) Ltd (CDSL) to provide the e-voting facilities. The e-voting procedure is given hereunder:

(i) The e-voting period commences on 21st September, 2019 at 9:00 A.M. and ends on 23rd September, 2019 at 5:00 P.M. During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 17th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the member will not be allowed to change it subsequently.

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

(iii) The shareholders should log on to the e-voting website: www.evotingindia.com during the voting period.

(iv) Click on "Shareholders" tab.

(v) Now Enter your User ID

a) For CDSL: 16 digits beneficiary ID,

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

(viii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	• Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Example: if your name is Ramesh Kumar with sequence no 1 then enter RA0000001 in the PAN field.
Date of Birth	Enter the Date of Birth as recorded in your Demat Account with the Depository or in the Company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	• Enter the Bank Account number as recorded in your Demat Account with the Depository or in the Company records for your folio. • Please enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the Depository or Company then please enter the member id/folio no in the Dividend Bank Details field as mentioned in instruction (vii).

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

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xii) Click on the relevant EVSN for the relevant <**BMW INDUSTRIES LIMITED**> on which you choose to vote.

(xiii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolutions details.

(xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

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

(xvii) You can also take out print of the votes cast by clicking on “Click here to print” option on the voting page.

(xviii) If a Demat account holder has forgotten the **login password** then enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians:

- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

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

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

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

Other Instructions

1. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the paid-up value of Equity Shares held by them as on17th September, 2019.

2. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.

3. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the notice, then such member may contact the Company for Login ID and password by sending a request at helpdesk.evoting@cdslindia.com or issuer/RTA at absconsultant@vsnl.net

4. Mr. Raj Kumar Banthia, partner of M/s MKB & Associates has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

5. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days from the conclusion of the meeting, a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.

6. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.bmwil.co.in and on the website of CDSL www.cdslindia.com immediately after the result is declared. The Company shall simultaneously forward the results to Stock Exchange, where the shares of the Company are listed.

By order of the Board

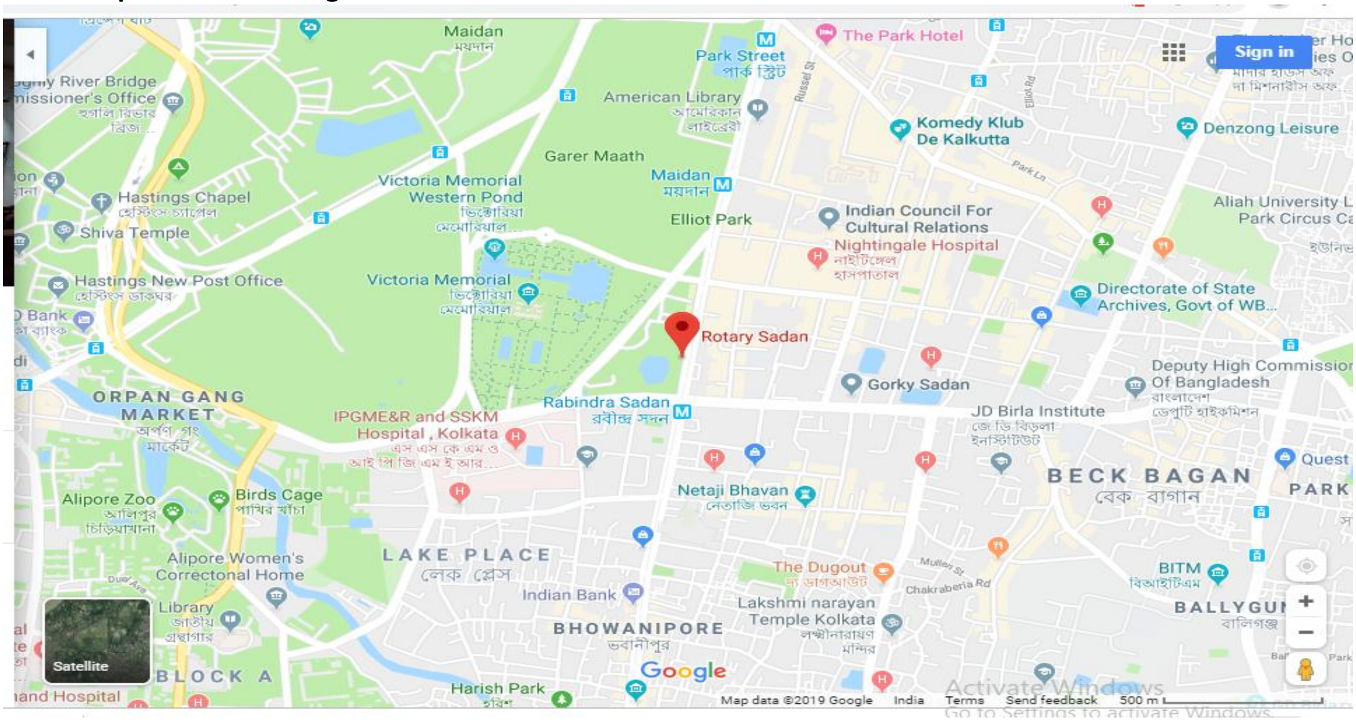
Kolkata
14th August, 2019

Arbind Kumar Jain
Company Secretary
Membership No.A23017

Registered Office:

119, Park Street, White House,
Kolkata – 700016
CIN: L51109WB1981PLC034212
Email: info@bmwil.co.in

Route map of the venue is given below



Venue: "Rotary Sadan" 94/2, Chowringee Rd, Maidan, Kolkata - 700020
Date: Tuesday, 24th September, 2019

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act)

As required under Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business set out in Item No 4 to 9 of the accompanying Notice dated 14th August, 2019.

Item No. 4:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Sohan Lal Jalan & Associates, Cost Accountants to conduct the audit of cost records of the Company for the financial year ending March 31, 2020.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board recommends Ordinary Resolution set out at Item No. 4 of the Notice for approval of shareholders.

Item No. 5:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Subhash Chandra Gupta (DIN: 00056770) as an Additional Director of the Company with effect from 30th May, 2019, liable to retire by rotation and further he was appointed as Whole Time Director for a period of 3(three) years from the date of appointment i.e upto 29th May, 2022 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board as given below:

I) **Basic Salary**: Rs. 50,000/- per month with an annual increment to be decided by the Board of Directors on merit at its absolute discretion, which shall however be only so done so as not to exceed the maximum permissible limits of Managerial Remuneration under the Act, payable without the approval of the Central Government.

II) **Perquisites / Benefits:** In addition to the above salary, Mr. Subhash Chandra Gupta shall also be entitled to the following perquisites / benefits:

a. Medical Reimbursement: Expenses incurred for himself and his family in accordance with the Rules of the Company.

b. Leave Travel Concession: Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave/ holiday travel period, whenever undertaken, twice in a year, incurred in accordance with the Rules of the Company. Club Membership: Reimbursement of membership fee including admission and annual membership fee for one club in India.

c. Gratuity: Gratuity payable shall not exceed half a month's salary for each completed year of service.

d. Provision for use of telephones at residence (including payment for local calls and long distance calls) and Company's car shall not be included in the computation of perquisites.

e. Minimum Remuneration: In the case of inadequacy of profits in any financial year during the tenure of Mr. Subhash Chandra Gupta, he shall be entitled to remuneration by way of salary along with perquisites, benefits and other allowances as mentioned above not exceeding such sum as may be prescribed under Section 197 read with Part II, Section II of Schedule V to the Act.

It is proposed to seek members' approval for the continuation of the appointment of Mr. Subhsash Chandra Gupta as Director and whole time director of the Company in terms of the applicable provisions of the Companies Act, 2013 ("the Act")

Mr. Subhash Chandra Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act, not debarred from holding the office of director by virtue of SEBI order or any other such authority and has given his consent for the said appointment. He will not be entitled to any sitting fees for attending the Board Meetings and other meetings of the company.

Details of Mr. Gupta are provided in the "Annexure" to the Notice, pursuant to provision of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") and Secretarial Standard on General Meetings ("SS-2") , issued by the Institute of Company Secretaries of India.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board recommends Ordinary Resolution set out at Item No. 5 of the Notice for approval of shareholders.

Item No. 6 to 9

As per Section 149(10) of the Act, an Independent Director shall hold office for a term upto 5 (five) consecutive years on the Board of the Company but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of upto 5 (five) consecutive years on the Board of the Company.

The Members of the Company had at the Annual General Meeting held on 25th September, 2014 approved the appointment of the following Independent Directors for a period of 5 (five) years commencing from 25th September, 2014 till 24th September, 2019.

- Mr. Debasish Basu (DIN: 00581141)
- Mr. Sunil Kumar Parik (DIN: 00884149)
- Mr. Rampriya Sharan (DIN: 05304025)

Ms. Gayatri Singh (DIN: 07031033) was appointed as an Independent Director of the Company with effect from 21st November, 2014 for a Continuous period of 5 (five) years till 20th November, 2019 and the appointment was approved by the Members at Annual General Meeting held on 29th September, 2015.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, and as per the provision of Article of Association of the Company, Mr. Debasish Basu, Mr. Sunil Kumar Parik, Mr. Rampriya Sharan and Ms. Gayatri Singh are eligible for re-appointed as an Independent Directors and have offered themselves for re-appointment. The Board of Directors recommends the proposal to re-appoint them as an Independent Directors for a term as mentioned in the respective Special Resolution.

The Company has received Notice under Section 160 of the Companies Act, 2013 from Mr. Debasish Basu, Mr. Sunil Kumar Parik, Mr. Rampriya Sharan and Ms. Gayatri Singh signifying their candidature as an Independent Director of the Company. The Company has also received a declaration of Independence from them.

In opinion of the Board, Independent Directors fulfil the Conditions specified under the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for re-appointed as an Independent Director of the Company and are Independent of the Management. A copy of draft letter of appointment of Independent Directors is available for inspection at the registered office of the Company during business hours on any working day. The Board considers that association of the Independent Directors would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail services of these Independent Directors.

A brief profile of Independent Directors is provided on “Annexure” to the Notice. They shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Further as per Regulation 17(1A) of Listing Regulations, appointment or Continuation of a Non-Executive Director after attaining age of 75 years also requires approval of Members of the Company by way of Special Resolution. Mr. Debasish Basu has attained age of more than 75 (seventy five) years during the proposed appointment and Mr. Rampriya Sharan and Ms. Gayatri Singh shall attain age of 75 (seventy five) during the proposed Second term. The Special Resolutions under Item Nos. 7, 8 and 9, once passed, shall also be deemed as your approval under the Listing Regulations 2015, for continuation of Mr. Debasish Basu, Mr. Rampriya Sharan and Ms. Gayatri Singh as Independent Directors beyond the age of seventy five years.

None of the Independent Directors hold by himself / herself or for any other person on a beneficial basis, any shares in the Company. None of the Directors who are proposed to be re-appointed is related to any Director or Key Managerial Personnel of the Company and their relatives. Expect for the appointee Director for the purpose of his or her own resolution, none of the Directors or Key Managerial Personnel of the Company or their relatives is Concerned or interested, financially or otherwise in the resolution set out at Item No. 6 to 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 6 to 9 of the Notice for the approval of the Members.

Item No. 10

In terms of Section 88 of the Act, read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company is required to maintain Register of Members in Form MGT-1 and as per the Provision of Section 94 of the Act, the Company is required to keep the registers and returns (as specified in Section 88 of the Act) at the registered office of the Company.

However in terms of Rule 5 of the Companies (Management and Administration) Rules, 2014, such registers and copies of returns may also be kept at any other place within the city, town or village in which the registered office of the Company is situated or any other place in India in which more than one-tenth of the totals number of members entered in the register of members resides, if approved by a Special Resolution passed at the general meeting of the Company.

Considering the above and as a measure of promote service and facilitation of convenience to the Members of the Company, it is proposed to keep the register of Members, Index of Members and all other Registers pursuant to Section 88 at the office of Registrar and Share Transfer Agent (RTA) of the Company viz. M/s ABS Consultant Pvt. Ltd. at Stephen House, Room No. 99, 6th floor, 4 B.B.D. Bag (East), Kolkata – 700 001 and/or at such other place in Kolkata where RTA may shift its office from time to time or such other place as may decided by the Board of Directors from time to time.

Accordingly, consent of the Members is sought to approve the keeping of Registers as specified in Section 88 of the Act, at some place other than the registered office of the Company.

The Board recommends the Ordinary Resolution as set out at Item No. 10 of the Notice for approval by the Members.

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

By order of the Board
Arbind Kumar Jain
Company Secretary
Membership No.A23017

Kolkata
14th August, 2019

Registered Office:

119, Park Street, White House,
Kolkata – 700016
CIN: L51109WB1981PLC034212
Email: info@bmwil.co.in

ANNEXURE TO THE NOTICE DATED AUGUST 14, 2019

Brief particulars of Directors retiring by rotation seeking appointment/re-appointment at the forthcoming Annual General Meeting

Mr. Harsh Kumar Bansal	
Date of Birth	05th August, 1978
DIN	00137014
Date of Appointment	26th December, 2006
Qualification	Commerce Graduate, advance courses from Harvard, ISB and LBS.
Expertise in specific functional areas	Excellent insight in steel marketing
Terms and conditions of appointment/re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Harsh Kumar Bansal who is proposed to be re-appointed as Managing Director of the Company, is liable to retire by rotation.
Relationship with other Directors	Son of Mr. Ram Gopal Bansal, Chairman of the Company and brother of Mr. Vivek Kumar Bansal, Managing Directors of the Company.
Directorship held in other public Companies as on 31.03.2019	1. Bokaro Iron & Steel Co. Ltd 2. BMW Iron & Steel Industries Ltd 3. Sadhuram Bansal & Sons Ltd
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	**BMW Industries Limited** Audit Committee – Member Corporate Social Responsibility - Chairman
Shareholding in the Company	18,44,72,50 Equity Shares of Re 1/- each

Mr. Subhash Chandra Gupta	
Date of Birth	15th March, 1950
DIN	00056770
Date of Appointment	30th May, 2019
Qualification	Commerce Graduate
Expertise in specific functional areas	Experience in various sector like Iron & Steel Companies, Real Estate Companies and Tea Estate Companies.
Terms and conditions of appointment/re-appointment	In terms of Section 152 & 161 of the Companies Act, 2013, Mr. Subhash Chandra Gupta who was appointed as an Executive Director of the Company with effect from 30th May, 2019, is liable to retire by rotation.
Relationship with other Directors	Not related to any Director / Key Managerial Personnel
Directorship held in other public Companies as on 31.03.2019	NIL
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	NIL
Shareholding in the Company	NIL

Mr. Sunil Kumar Parik	
Date of Birth	25th September, 1955
DIN	00884149
Date of Appointment	15th September, 2012
Qualification	Commerce Graduate, Chartered Accountant
Expertise in specific functional areas	Strong functional knowledge in Finance and Accounts
Terms and conditions of appointment/re-appointment	As per the resolution at Item No. 6 of the Notice convening this Meeting read with Explanatory Statement thereto, Mr. Sunil Kumar Parik is Proposed to be re-appointed as an Independent Director.
Relationship with other Directors	Not related to any Director / Key Managerial Personnel
Directorship held in other public Companies as on 31.03.2019	1. Khanyan Paper industries Limited 2. Peoples Papers Limited
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	**BMW Industries Limited** Audit Committee – Chairman Nomination & Remuneration Committee – Chairman Stakeholders' Relationship Committee - Member
Shareholding in the Company	NIL

Mr. Debasish Basu	
Date of Birth	02nd January, 1941
DIN	00581141
Date of Appointment	28th August, 2002
Qualification	Commerce Graduate, Civil Engineer
Expertise in specific functional areas	Ex - PWD secretary, in the West Bengal Government
Terms and conditions of appointment/re-appointment	As per the resolution at Item No. 7 of the Notice convening this Meeting read with Explanatory Statement thereto, Mr. Debasish Basu is Proposed to be re-appointed as an Independent Director.
Relationship with other Directors	Not related to any Director / Key Managerial Personnel

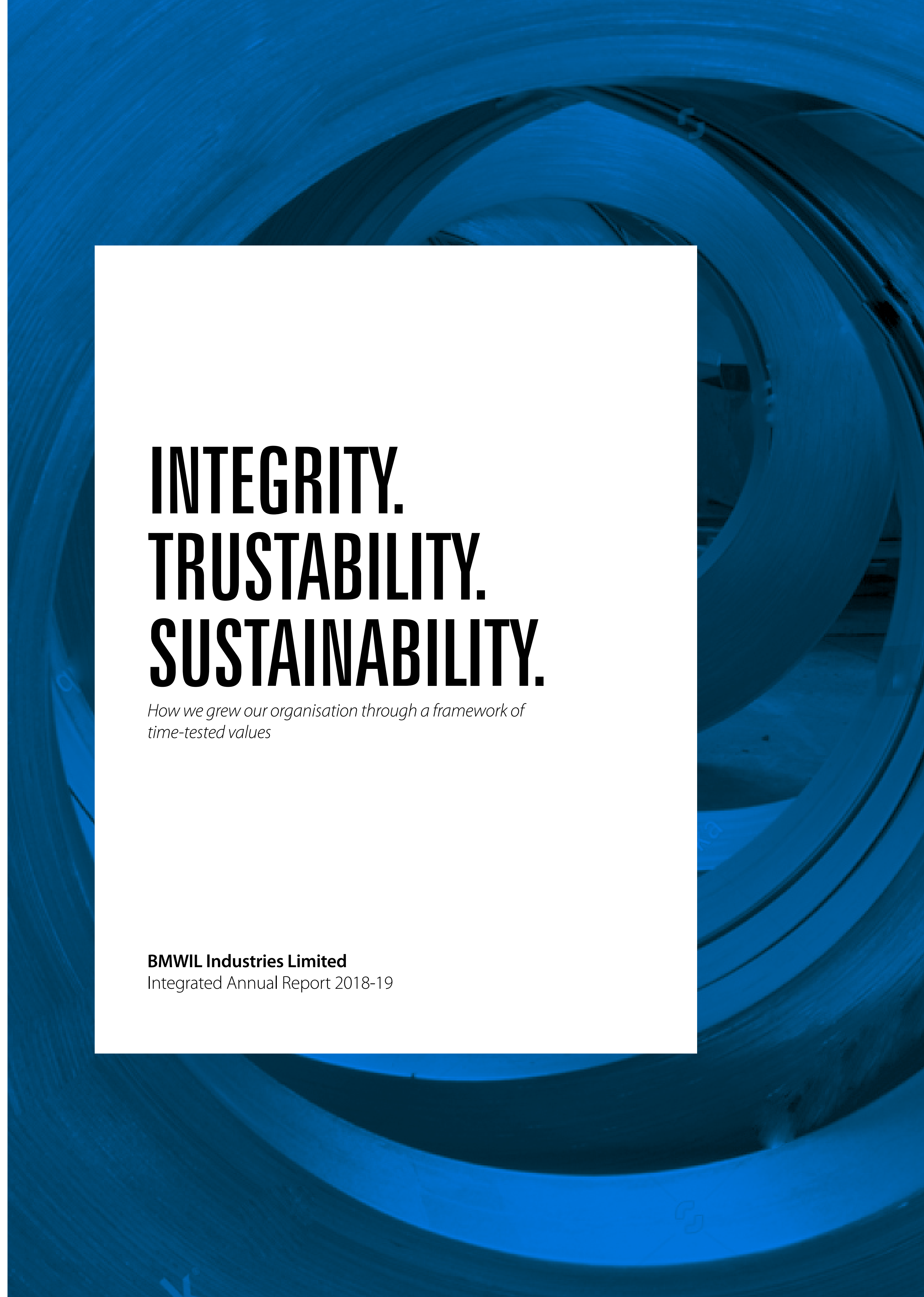
Directorship held in other public Companies as on 31.03.2019	NIL
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	**BMW Industries Limited** Audit Committee – Member Nomination & Remuneration Committee - Member Stakeholders' Relationship Committee – Chairman Corporate Social Responsibility Committee - Member
Shareholding in the Company	NIL

Mr. Rampriya Sharan	
Date of Birth	03rd October, 1947
DIN	05304025
Date of Appointment	15th September, 2012
Qualification	Master in Art and Bachelor in Law
Expertise in specific functional areas	Started his career as Probationary Officer in 1970, joined IRS in 1971. He retired from the post of Director -General of Income Tax (Investigation) in 2007. He was re-employed by the Govt of India as member, settlement commission of India and superannuated from the post of Vice Chairman in 2009.
Terms and conditions of appointment/re-appointment	As per the resolution at Item No. 9 of the Notice convening this Meeting read with Explanatory Statement thereto, Mr. Rampriya Sharan is Proposed to be re-appointed as an Independent Director.
Relationship with other Directors	Not related to any Director / Key Managerial Personnel
Directorship held in other public Companies as on 31.03.2019	NIL
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	**BMW Industries Limited** Nomination & Remuneration Committee - Member Corporate Social Responsibility Committee - Member
Shareholding in the Company	NIL

Ms Gayatri Singh	
Date of Birth	25th December, 1947
DIN	07031033
Date of Appointment	21st November, 2014
Qualification	Commerce Graduate
Expertise in specific functional areas	She has more than 35 years experience in various industry, she is guiding a team of experienced and qualified executives to assist the Board of Director
Terms and conditions of appointment/re-appointment	As per the resolution at Item No. 11 of the Notice convening this Meeting read with Explanatory Statement thereto, Ms Gayatri Singh is Proposed to be re-appointed as an Independent Director.
Relationship with other Directors	Not related to any Director / Key Managerial Personnel
Directorship held in other public Companies as on 31.03.2019	NIL
Chairmanship / Membership of the Committee(s) of the other Boards as on 31.03.2019	NIL
Shareholding in the Company	NIL

BMW Industries Ltd.
Address: 119, Park Street, White House, 3rd Floor, Kolkata-700016, INDIA
Phone: (033) 4007 1704
Fax: (033) 4007 1704
E-mail: info@bmwil.co.in

BMWIL



INTEGRITY. TRUSTABILITY. SUSTAINABILITY.

How we grew our organisation through a framework of time-tested values

BMWIL Industries Limited
Integrated Annual Report 2018-19

VALUES ENHANCE VALUE

At BMWIL, we believe that values enhance value.

The principles we hold dear define our DNA, beliefs and strategy – virtually everything.

This enhances out clarity that enhanced shareholder value is not derived from the 'what' of the business – plant, product or price - but from the 'how' we hold dear.

When someone offers us raw material at a cost marginally lower than our multi-year vendor, would we dump our partner to capitalise on this fleeting opportunity?

When there is a possibility of reducing raw material quality without the possibility of the customer ever finding out, would we make the switch?

When there is the possibility of spending less on the community with the objective of temporarily enhancing the bottomline, would we do so?

At BMWIL, we believe that a long-term consistency in living our values plays the biggest role in enhancing organisational value.

Values over value. That sums us up.

1

INTEGRITY OVER EVERYTHING

Two more questions.

Whose values? Where have they come from?

The answer in a single word: family.

We are what we grew up with. The stories that were told at the dining table.

And much of what was discussed in terms of values and ways of life were inevitably connected to the elders of the family.

How they aggregated orders from dozens of customers across North India, how they procured based on the respective indents, how they transported the products, how these products were methodically distributed and how the respective payments collected.

In the absence of later-day interventions like ERP, the operating technology that made this happen predictably and sustainably was 'word of mouth.'

The word was one's bond. What was promised was delivered. Period.

And that is the DNA BMWIL inherited. Our assurance of 'Kar denge' defines not just our commitment; it influences a customer's trust.

2

VALUE ON THE TABLE

At BMWIL, we believe there are two ways of doing business.

One, negotiate aggressively and squeeze the last drop.

Two, leave attractive value on the table for a partner to stay interested.

We believe that when you squeeze the last drop, there is a possibility that the vendor will not seek to be engaged again; when you leave value on the table, there is a possibility that the customer would not only not only return but seek to work continuously with the Company.

Now apply this 'leaving value on the table' approach across all our stakeholders – vendors, customers, employees – and you get a stable eco-system that responds organically to your growing resource needs.

The stronger this eco-system, the more evident the win-win proposition, the more competitive the Company and the more sustainable the business.

3

THINK LONG-TERM

We have often been asked: 'How 'long-term' is long-term?'

At BMWIL, we run our business as if we were running a marathon.

And like in every marathon, there is always the temptation to establish a convincing lead over the others at the outset but run short of breath later. What is then needed is a strategy that reconciles the short-term (first ten kms) with the long-term (last ten km).

And so it is with our business. Do something hasty today and gradually suffer the consequences.

Which is why at BMWIL, we make decisions not around arbitrage but value. Because arbitrage is fleeting; value is enduring.

Providing us with the clarity to trust only the best pedigree of customers, technologies, people, locations, products and trade partners.

4

SEGREGATE SANITY AND VANITY

At BMWIL, we believe that sanity lies in cash flows; vanity lies in scale.

For decades, we had two options.

Run a large business with sizable debt. Or a mid-sized business with low receivables and no bad debts.

We selected consciously to be the second kind of company.

Even as there was a time when every second expert suggested we integrate our business backwards (to mining or steel-making) to widen our value chain, we selected to do what we were most competitive at: process steel.

The result: we selected to build a value-accretive business that progressively grew its volumes instead of building a volume-accretive business that may not have generated adequate value.

The result is that we reported a net profit during every single year between 2010 and 2016, possibly the most protracted steel industry downturn in living memory.

5

CONSERVATIVELY AGGRESSIVE

At BMWIL, the two words that describe us best as 'Conservatively aggressive.'

We believe that in a commodity business where the next market cycle cannot be predicted, the most enduring strategy is 'safety first'.

This over-riding preference for security is manifested in a number of things.

A desired positioning of standing for 'something' rather than 'everything'.

A deepening of our competitiveness by investing in our existing business.

A widening of the base of our business pyramid by extending to diverse grades.

A gradual growth of our business by moving into adjacent business spaces.

Over the decades, this measured approach has made us one of the most competitive manufacturers in the spaces of our presence.

We may be inch-wide in our competence but that competence goes a mile deep.

And that has made all the difference.

6

ROR DRIVES ROCE

'How is a surplus generated?'

Most people may select to answer this through a diverse array of management jargons.

At BMWIL, we believe one word drives surpluses best.

Relationships.

An enduring relationship with employees enhances knowledge capital.

An ongoing relationship with customers minimises marketing costs while enhancing wallet share.

A trusted relationship with resource providers insulates from inadequate product availability.

At BMWIL, we seek to work with select partners sharing similar values.

The result: we have been working uninterrupted with our largest customer for more than a quarter of a century - the second generation of the BMWIL promoter family to be so engaged - and are respected as among the three most enduring vendors of our largest customer.

And all because we believed that Return on Relationships would drive Return on Capital Employed.

7

TRANSPARENCY WORKS OVERTIME… AND OVER TIME

In business, it is usual to protect your privileged numbers with customers.

This is usually done out of an unspoken apprehension: 'What if they find out our cost of production?' or 'What if they ask us for a sizable price cut?'

At BMWIL, we have gone against conventional wisdom. By sharing our cost structure with our largest institutional customer. By sharing virtually every detail of how we run our business.

The result has been unexpected. On a number of occasions, our partner has leveraged its deep understanding of the steel sector to advise us on how we can enhance our competitiveness. Besides, our partner has consistently collaborated in graduating our quality standard ahead of the curve.

The collaborative engagement has enhanced value for BMWIL and customer: strengthened our Balance Sheet through increased reinvestment, protecting the customer's supply consistency - strengthening business sustainability for both.

And all because of a different level of transparency where 'me' and 'them' blurred to become 'us.'

8

'WHAT IS THE DOWNSIDE?'

At BMWIL, the basic consideration that we apply to every decision is: 'What is the downside?'

Over the years, we have come to the conclusion: This is by far our most effective decision-making screen.

Clarity on the downside (or upside) enhances decision-making conviction.

This clarity in turn provides us with an understanding of prudent capital allocation.

This clarity helps both ways – moderates the fear of implications and deepens our understanding of specific actions.

Over time, this clarity translated into specific priorities: resistance to integrate the business backwards and moderated debt / interest.

The result is that BMWIL has emerged as a relatively cash-rich business in a cash-intensive sector.

9

GOVERNANCE ABOVE ALL

At BMWIL, we believe that the most enduring companies are the ones that have selected to invest most extensively in governance.

At our company, governance is derived from various forward-looking priorities.

One, an unambiguous segregation of corporate and personal interests.

Two, a progressive extension from an excessive dependence on few people to a broad-based investment in talent.

Three, a conscious investment in processes and technologies.

Four, a proactive investment in a competent and unbiased Board of Directors.

Resulting in a framework of multi-year business sustainability.

10

PERSONAL MODESTY

At BMWIL, we believe that sustained outperformance is derived from a coming together of simple living and high thinking.

At our company, the promoters have selected to live modestly and invest their personal resources into business-building. The promoters did not draw salaries from the Company until the Company had stabilised operations. The management conserved all its surpluses without taking recourse to dividends. The Company announced its first dividend – a modest []% - only in the year [], [] years after it had been commissioned.

This commitment has been derived from an understanding that enduring pride is derived from just three things.

Building productive businesses. Growing people. And contentment with what one possesses.

11

'GIVE UNTO CAESAR…'

ONE OF THE MOST DEFINING LINES ON GOVERNANCE COMES FROM THE BIBLE.

When Jesus encountered one of his disciples evading dues to the exchequer, he delivered landmark advice.

'Give unto Caesar what belongs to Caesar,' he said.

At BMWIL, we completely follow this recommendation.

Because we believe that we have so bountifully received from society is because somebody paid taxes in full and on time.

Over the years, BMWIL has lived this commitment by fulfilling completely its statutory responsibility.

Emphasising its commitment to responsible citizenship.

12

WHY WE ARE IN BUSINESS

At BMWIL, we are in business to widen the circle of prosperity.

On the one hand, we widen this circle through sustainable business growth that enhances value for all our eco-system partners.

On the other hand, we engage directly with our employees to help their families graduate beyond their immediate circumstances.

We assist employees build homes. We contribute to the education of their children. We completely finance the education of the outperforming children of employees (up to any level across any institution anywhere).

We have generated a considerably bigger payback from this spending, derived from the aggregated moments when someone introduces herself in public to say, 'Remember me? Eighteen years ago, you …'

Making someone's life makes our day.

13

Vision
BMW Industries Limited should be a globally-admired organisation that enhances the quality of life of all stakeholders through sustainable industrial and business development.

Mission
Spirit of entrepreneurship and innovation
An optimum utilisation of resources
Sustainable eco-friendly procedures
The highest level of ethics and standards
The hiring, developing and retaining of high-performing employees
The maximisation of returns to shareholders
A positive impact on the communities

Core values
Staying passionate about people and its business practices

Maintaining a sense of trust, integrity, ownership and belonging

Developing in a sustainable manner

Corporate snapshot

11 THINGS YOU NEED TO KNOW ABOUT BMW INDUSTRIES LIMITED

01 Background
BMW Industries Limited, a prominent industrial group in Eastern India, was established in 1981. The Company possesses more than three decades of experience in the business of steel processing.

02 Promoters
The Company is stewarded by Mr RG Bansal, who has been associated with the Company for 37 years. The senior management comprises his sons and seasoned professionals with multi-year experience. The promoters own 70.08% of equity in the Company.

03 Capacity
The Company possesses arguably India's largest steel processing capacity. It is among the foremost tube manufacturers in Eastern India. It possesses one of the largest cold rolling and continuous galvanising plants in the sector.

Our business segments

Conversion

SLIT COILS
- Hot-rolled sheets and coils
- Hot-rolled pickled coils
- Pipes
- Galvanised plain coils
- Galvanised corrugated sheets
- Full-hard cold-rolled coils
- Thermo mechanical treatment bars

Proprietary business (B2B)
- Towers and poles
- Structures
- Rolling mills (structural)

Proprietary business (B2C)
- Thermo mechanical treatment bars (Bansal)

04 Products
The Company is engaged in the manufacture of two types of products - longs (towers, poles and thermo mechanical treatment bars) and flats galvanised plain and galvanised corrugated sheets).

05 Facilities
The Company comprises two steel service centres in West Bengal and three in Jharkhand. These centres employ diverse material pre-processing technologies comprising slitting, shearing, levelling, blanking, pickling, oiling and corrugating.

Agori: The Company manufactures thermo mechanical treatment bars, structures and poles at this facility. The manual galvanising facility is currently undergoing a technology upgradation. The unit also houses a flat products servicing centre.

Ghusuri: This facility is used for the manufacture of mild steel pipes across high and low diameters.

Manifit: This facility comprises a few cut-to-length and slitting lines. The unit also houses corrugation machines for galvanised steel sheets.

Adityapur: This small facility comprises three cut-to-length machines. The plant recovers prime materials out of process rejections and thereby contributes significantly to profitability.

Gamharia: This state-of-the-art facility was developed with a capital investment of >₹400 crore in 2012. The plant has three key operations for processing flat products. This zero discharge facility comprises a pickling line, reversing mill and continuous galvanising line. The Company intends to extend its presence to the coated steel segment through this facility.

06 Performance
The Company grew its revenues from ₹596 crore during FY2013-14 to ₹823 crore during FY2018-19. Nearly [47] % revenues were derived from steel processing and the rest from the sale of proprietary products to end consumers.

07 Listing
The Company is listed on the Calcutta Stock Exchange and Bombay Stock Exchange.

08 Brand
The Cny markets proprietary products under the Bansal Super brand. The brand enjoys a longstanding reputation for dependability, transparency and accessibility.

09 Customers
The Company addresses the growing appetite for secondary steel products across the following user industries: construction and building materials, infomparastructure, engineering, automobiles and consumer durables as well as agriculture and water transportation.

10 Employees
The Company employed 747 full-time employees, 806 contractual workers and 40 managers (total workforce 1553) as on 31st March 2019. Around 44% employees were based out of Kolkata and 56% in Jamshedpur. The average age of the Company was 36 as on 31st March 2019.

11 Credibility
The Company strengthened its credit rating to A- in 2017 from BBB+ in 2016.

"WE BELIEVE THAT THIS STRATEGIC FRAMEWORK SHOULD ENABLE US CAPITALISE EFFECTIVELY ON THE SECTORAL REBOUND AND CONTINUE TO REPORT PROFITABLE GROWTH."

Mr. Harsh Kumar Bansal, Managing Director, explains why the Company consciously de-grew in 2018-19 to protect its fundamentals

Q Was the management pleased with the Company's performance in 2018-19?

A We believe we could have done better during the financial year under review. The Company reported revenues in 2018-19 around the level of the previous year accompanied by a marginal increase in profit. The Company's revenues remained at the previous levels largely on account of a slowdown in the consumption markets during the second half of 2018-19. This slowdown was the result of a weakening in the country's financial sector following liquidity challenges faced by one of the country's leading NBFC players. The consequent decline in lending confidence and systemic sentiment resulted in a virtual liquidity paralysis. The result was that after a usual monsoonal lull each year, demand in the third quarter is generally strong. However, in 2018-19, we perceived the opposite: our third quarter revenues declined 33 per cent when compared with the corresponding period of the previous year. The fourth quarter was somewhat better but not adequate enough to recoup the decline of the preceding quarter. These realities, in turn, affected construction activity, affecting the offtake of long steel products and the growth of one segment of our business. Besides, this also affected the offtake in the automobile sector, restricting the growth of our steel processing outsourcing business.

Q What is the principal message that you wish to communicate to shareholders?

A The big message is that the Company weathered one of the biggest sectoral challenges in recent years without a significant impact on its Balance Sheet. Even as the Company had estimated a 20 per cent growth in revenues and a 100 per cent increase in its bottomline, the reversal of the steel sector cycle from the second half of the year translated into lower topline and bottomline numbers – the first such instance of a decline in 5 years. However, I must draw the attention of our readers to the fact that the Company protected its EBIDTA margin at 20 per cent, reported a cash profit of ₹100 cr and repaid ₹56 cr of debt in 2018-19. When seen holistically, the Company remained liquid and profitable, a validation of its business model.

Q In what ways did the Company strengthen its business in 2018-19?

A As the Company's revenues declined due to lower offtake, the size of the Company's Balance Sheet declined proportionately, protecting the Company from liabilities. For instance, the Company started 2018-19 with ₹200 cr of debt on its books but ended the year with ₹150 cr, resulting in a decline in interest on account of term loans from ₹17.33 cr to ₹13.27 cr. We believe that the interest cover of 2.13 that we reported in a challenging period was an index of our continued competitiveness.

Besides, we moderated the cash credit availed from around ₹225 cr in the previous year to ₹180 cr throughout the year, moderating the interest incurred on account of working capital from ₹24.88 cr to ₹22.54 cr.

The full impact of this translated into a decline in term loan and cash credit from an aggregate ₹425 cr in the 2017-18 to ₹372 cr in 2018-19. The result is that whereas ₹1 of total debt generated ₹2.208 of revenues in 2017-18, the corresponding number was ₹2.214 in 2018-19 – which indicates that we are generating from the same resources. I am happy to report that we were able to showcase a company built around increased fiscal discipline during the year under review.

Q What are the other things that shareholders need to appreciate?

A There is a growing recognition that in a business marked by diverse variables, revenue forecasting will always be a challenge. However, what we can safely predict is how we will respond to changes in marketplace realities – when markets are good, we will focus on growing our business without compromising business prudence (reflected in a tight receivables cycle and moderated working capital outlay); when markets are challenging we will select to walk away from sales where the receivables could stretch and threaten the integrity of our Balance Sheet. This is precisely what we did during the last financial year: our decline in revenues was the result of a conscious decision to navigate our topline while protecting our business fundamentals. We selected to protect our brand than get reduced to becoming a commodity player. By that yardstick, our biggest gain during the year under review was that we reported a reasonable profit while moderating our debt (reducing the quantum of cash credit in favour of term loans that protected our cash flows), which strengthened our credentials to remain sustainable across the foreseeable future.

Q Where does the business go from here?

A The Company expects to grow the business with proportionately less cash through a prudent use of customer advances and its brand strength on the one hand and a more efficient sweating of Letters of Credit and Bank Guarantees on the other. We believe that these initiatives will moderate our receivables cycle, enter into joint ventures for monetising the surplus real estate ion the Company's books and extend into the business of industrial warehousing (through a joint venture) that could translate into annuity revenues.

Q Where does the Company go from here?

A We believe that BMWIL is at an inflection point. Our joint ventures should enable us to enhance organisational value. Our focus on working large and credible customers should translate into larger wallet shares. We intend to increase the throughput of tubes and pipes in our product mix using the same trade channels and we expect to moderate absolutely debt in the current financial year. We believe that this strategic framework should enable us capitalise effectively on the sectoral rebound and continue to report profitable growth.

The positives of our business, 2018-19

- Strengthened B2C business; increased value derived out of strengthening relationships
- Streamlined tax compliance; reduced back-end bandwidth
- Increased customer preference for branded products manufactured by organised players like BMWIL
- Stronger leverage of the brand in the B2C business segment
- Repayment of ₹51 cr of term loans

OUR STRATEGY

Strategic focus	Innovate and excel	Cost advantage	Supplier of choice	Robust people practices	Responsible corporate citizenship	Focus on value creation
Key enablers	Nurtured a culture of cost management, qualitative excellence and efficient distribution	Focused on cost management through investments in superior manufacturing technologies, capacity scale-up, forward integration and negotiation of mutually-beneficial terms of trade	Emphasised on superior product quality, operational transparency, customised product creation and value-addition	Facilitated personal and professional development and offered competitive returns to suppliers	Engaged in community-strengthening initiatives near its manufacturing facilities (Jamshedpur and Kolkata)	Committed to the manufacture of value-added products and forward integration
Material issues /addressed	Launched new products	Dealt with raw material cost volatilities efficiently	Forged enduring ties with vendors	Reduced attrition levels substantially	Undertook farsighted initiatives for the benefit of the communities dwelling around the Company's facilities	Addressed customer needs effectively
Capitals impacted	Manufactured, intellectual, financial	Financial, social	Intellectual, manufactured and social	Intellectual and human	Social and natural	Intellectual, manufactured and social

HOW WE CREATE VALUE

Our resources

Financial capital
The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

Manufactured capital
Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

Human capital
Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.

Intellectual capital
Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.

Natural capital
We depend on raw materials sourced from nature indicating a moderate impact on the natural environment.

Social capital
Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Value created

Financial capital
Turnover:
₹823 crore

Earnings per share:
₹1.82

ROCE:
18%

Manufacturing capital
Earnings from steel processing:
₹384.73 crore

Earnings from sale of towers:
₹196.94 crore

Earnings from sale of bars and poles:
₹108.32 crore

Earnings from sale of pipes and tubes:
₹22.73 crore

Human capital
Employees:
747

Remuneration paid:
₹2211.99 lakh

Training imparted:
1345 person-hours

Average age:
36

Intellectual capital
hare of employees associated with the Company for five years or more:
50%

Natural capital
Acid recycled:
13747 kilolitres

Water recycled:
20648 kilolitres

Social capital
Community beneficiaries:
15 villages near NH#6, Bokaro

Vendors:
720

Investment in CSR:
₹112 lakh

Value shared with

Investors
Rewarded investors through incremental dividends and steady capital appreciation over the past 20 years

Suppliers
Sourced ₹456 crore worth of materials from 79 suppliers during FY2018-19

Employees
Provided remuneration worth ₹22 crore during FY2018-19 and provided stable employment to 85 individuals

Customers
Launched □ value-added products during FY2018-19

Governmental and regulatory bodies
Catalysed the local community by passing on downstream economic benefits and paid ₹31 crore to the exchequer during FY2018-19

Distributors and suppliers
Enhanced value for distributors and retailers through sustained resource offtake over the past 2 years

ROBUSTNESS OF BMWIL'S BUSINESS MODEL

BMWIL reported growth and profits even during the most challenging days of the steel sector's slowdown. This superior performance was derived from a business model that focused on being present in the right niches, manufacture of the right quality and engagement with growing customers, among other factors.

Macro realities driving our prospects

Growing population

India the second most populous country	India's population growth of 4x over the last century; China's growth 1.5x	India adding ~15 million people a year, the largest global quantum	India likely to become world's most populous country by 2024

Rising incomes

India is the fastest growing major economy (2018-19 GDP growth 6.8%)	The per capita income increased from ₹1, 12,835 in 2017-18 to an estimated ₹1, 25,397 in 2018-19, indicating the robustness of a long-term trend.	India's per capita income projected to grow >2x from current level by 2027

Rural prosperity

Rural per capita income is expected to be US$ 631 by 2020	99% Indian rural households had a bank account in 2018	Total rural income in FY2018 stood at US$ 413 billion (46% of India's total income)	1.07 cr rural houses completed under Pradhan Mantri Awas Yojana – Gramin (2014-18).	Government focused on Direct Bank Transfer, increased Minimum Support Prices and Minimum Income Scheme for farmers

Real estate growth

India projected to emerge as the third-largest construction market by 2022	Contribution to GDP increasing from 10% in 2015 to 15% by 2030	India's real estate sector projected to grow from US$ 120 billion in 2017 to US$ 650 billion by 2025 and US$ 1 trillion by 2030	Cumulative FDI inflows in the country's construction sector (including infrastructure) reached US$ 13.11 billion between April 2000 to June 2018

Infrastructure growth

Union Budget 2019-20 allocated ₹4.56 lakh crore (US$ 63.20 billion) for infrastructure investments	The first phase under the Bharatmala project has an estimated investment outlay of ₹5.35 lakh crore spanning a period of five years (from FY 2017-18 to FY 2021-22)	India has a requirement of investment worth ₹50 trillion in infrastructure by 2022 to have sustainable development in the country	Private equity and venture capital (PE/VC) investments in the infrastructure sector reached US$ 1,827 million in 2018

Automobile demand

The industry accounts for ~10% of demand of steel in India.	The automobile sector is likely to attract US$ 8-10 billion in local and foreign investments by 2023	The automotive industry is forecast to grow to US$ 260-300 billion by 2026	The Indian automobile industry is expected to become the third-largest (currently fourth) by 2021

(Source: Morgan Stanley, Times Now, Economic Times, Financial Express, IBEF, Live mint, NITI Aayog, PIB)

. . . HOW BMWIL INTENDS TO CAPITALISE

Singular focus

The Company will remain singularly focused on opportunities from within the steel industry, given the extensive under-penetration and product gaps.

Governance commitment

The Company's governance is reflected in stringent alignment with existing and emerging norms with respect to workplace safety, zero liquid discharge, human dignity and commitment to partner/customer interests, among others.

Complementary engagement

The Company is engaged in three verticals: job work (conversion) for India's largest private sector steel company that assures large and consistent volumes, manufacture of special steels addressing the needs of prominent automobile component manufacturers and brand-driven manufacture-cum-marketing of steel products for the B2B and B2C segments.

Enduring engagements

The Company's engagement as a steel processing partner for India's largest private sector steel company for 25 years was marked by ongoing product customisation and capacity enhancement that catalysed revenue growth.

Strategic broad-basing

The Company progressively broad-based its business: it extended from the conversion arrangement and B2B business to the B2C business.

Deleveraged financials

The Company progressively reduced the debt on its Balance Sheet even as it grew its business through net worth.

People retention

The Company reported high people retention of 80%; retention at the senior managerial level was 75% as of 31st March 2019.

Branding focus

The Company will continue to grow the brand-led consumer-centric part of its business (Bansal). The Company invested in strengthening its proprietary products brand by leveraging its credibility, experience and knowledge.

Eco-friendly approach

The Company invested in environment-protecting equipment and processes. A hydrochloric acid regeneration facility (~2,500 kilograms per hour) eliminated effluent discharge; the recycled water was used for in-factory gardening.

State-of-the-art equipment

The Company's biggest investment (sophisticated cold rolling galvanised mill) of ₹402 crore was made during the steel sector slowdown in 2013, which has since generated adequate revenues and return on employed capital.

Tangible impact, FY 2015 to FY 2019

- Revenues increased by 25% during this period
- EBITDA margin increased by 480 bps during this period
- ₹175 cr of term loans and ₹5 crore of cash credit was repaid or liquidated
- Interest cover strengthened from 3.34 to 2.13

Intangible impact

- The Company retained its position as a respected steel sector brand in Eastern India
- The Company's credit rating was maintained at a respectable A- by India Rating & Research Private Limited
- The Company's people retention stood at 80%

OUR TOLLING BUSINESS

47%

Share of overall revenues, FY2018-19

1%

Revenue growth, FY2018-19

Overview

The Company entered into an arrangement in 1992 with India's largest private sector steel company to process primary steel into secondary steel products to address the widening needs of downstream customers. This arrangement benefited both companies: the giant was empowered to focus on maximising volumes; the vendor focused on product customisation. This has been the largest non-Group engagement by the principal with any external vendor.

The relationship has grown considerably - in terms of volume of steel processed as well as corresponding revenues. This growth has endured through market cycles, validating relationship sustainability. BMWIL has since emerged as arguably the largest and most respectable steel processing company in India.

Key aspects

The engagement has not only resulted in long-term revenue assurance for BMWIL but also allowed both partners to leverage benefits arising from the synergistic cross-flow of technical expertise.

The duration of this engagement reinforced BMWIL's reputation as a trustworthy partner. The regular introduction of products by the principal helped BMWIL grow its competence and capacity. On the other hand, the principal was empowered to address demand for niche products addressing specific customers through a back-to-back engagement with BMWIL.

Strengths

- More than two and a half decades of steel processing experience
- Processed > [] million tonnes of steel in more than 27 years
- Capability to address customer needs ranging from 400 to 20,000 tonnes
- State-of-the-art manufacturing facilities

Highlights, FY2018-19

- Processed 688389 tonnes of steel
- Generated revenues worth ₹385 crore, a 1% growth over the previous year

Outlook

BMWIL expects to grow its tolling business on the basis of downstream plans of its principal.

Business segment analysis

OUR PROPRIETARY BUSINESS

53%

Share of overall revenues, FY2018-19

22%

Revenue degrowth, FY2018-19

Overview

The Company leveraged its multi-year experience of working as a back-end processing partner for a large principal to enter the business of proprietary revenues in 2016.

The Company's proprietary business comprises the manufacture of products that are marketed to other businesses and to retail customers. While the B2B business comprises the sale of structures, bars, pipes, towers and coils, B2C revenues are derived principally from the sale of Bansal TMT.

Key aspects

This business serves a number of purposes: helps reduce an excessive dependence on the conversion business by servicing the needs of institutional and retail customers, but also provides an opportunity to enhance margins. This business provides the Company with a ground-level of consumer needs translating into customised products manufacture.

Strengths

- Deep and wide penetration across West Bengal for the B2C business
- Strong Bansal brand recall around dependability and durability
- Attractively low receivables with zero dealer defaults (based on advances)
- Prudent segregation into B2B and B2C segments, reinforcing customer engagement

Highlights, FY2018-19

- Started a dealer-cum-distribution network for Bansal Super TMT with 185 dealers
- Generated revenues worth ₹438 crore, a 22% degrowth over the previous year
- Encountered sluggish B2C sales owing to a slowdown in consumer sentiment

Outlook

The Company seeks to increase B2C sales, strengthening revenues, margins and profits.

THE STORY OF A DYNAMIC INDIA IN NUMBERS

POPULATION

Population in India in FY2018	Population in India in FY1991
1.36 (in billion)	0.89 (in billion)

Commentary: A sustained growth in India's population is helping sustain India's positioning as a consumption-driven economy

AVERAGE AGE BY GEOGRAPHY BY 2020

India's average age	USA's average age	China's average age	Western Europe's average age	Japan's average age
29	37	37	45	48

Commentary: India's average age is considerably younger than a number of countries, indicating an economically productive population translating into enhanced aspirations and consumption

ECONOMIC SIZE

Indian economic size by 2030	Indian economic size by 2018	Indian economic size by 2007
10 (in USD trillion)	2.85 (in USD trillion)	1 (in USD trillion)

Commentary: India has been a remarkable growth story and this story is likely to accelerate on the back of reforms and infrastructure spending

GDP GROWTH

India's GDP growth 2018-19	Global GDP growth 2018
6.8 (%)	3.6 (%)

Commentary: India's average age is considerably younger than a number of countries, indicating an economically productive population translating into enhanced aspirations and consumption

LIFE EXPECTANCY

Estimated life expectancy in FY2018	Estimated life expectancy in FY1991
69 (in years)	58.8 (in years)

Commentary: India's growth is being derived from the fact that its citizens are living longer with high economic productivity

AVERAGE INFLATION OF INDIA FOR LAST 4 YEARS (CPI)

Estimated average inflation, 2019	Average inflation, 2018	Average inflation, 2017	Average inflation, 2016
6.78 (in per cent)	4.85 (in per cent)	2.49 (in per cent)	4.97 (in per cent)

LITERACY

Estimated literacy rate in India in FY2018	Literacy rate in India in FY1991
79	52
(in per cent)	(in per cent)

Commentary: A big drive of India's growth is derived from its increasing literacy, which in turn is catalysing economic productivity and increasing aspirations

PER CAPITA INCOME GROWTH

Estimated nominal per capita income in India in FY 2018	Nominal per capita income in India in FY1991
1,928	310
(in USD)	(in USD)

Commentary: Indians are earning more than ever, strengthening aspirations and consumption

INCOME DISPARITIES NARROWING

Urban income per worker in FY2018	Rural income per worker in FY2018
6,402	1,109
(in USD)	(in USD)

Commentary: Much of India's optimism related to consumption is being derived from the vast gap between its urban and rural incomes; the gap is expected to narrow with rural income rising towards urban levels

RURAL INCOME GROWTH

Total rural income in FY 2018	Total rural income in FY2022 (E)
413	646
(in USD billion)	(in USD billion)

Commentary: India's rural income is projected to increase substantially across the next four years, strengthening consumption

SAVINGS

Savings rate in FY2018	Savings rate in FY1991
28	22.9
(in per cent)	(in per cent)

Commentary: A big driver of India's growth has been its increased savings rate, the driver of its re-investment

DEPENDENCE

Dependency of rural households on agricultural income in FY15	Dependency of rural households on agricultural income in FY18
57	70
(in per cent)	(in per cent)

RURAL DATA

Bank account penetration in rural India, 2017	Bank account penetration in rural India, 2014	CAGR growth in Indian rural incomes since 2000
79	52	6.2
(in per cent)	(in per cent)	(in per cent)

Rural income in 2017	Expected rural income in 2022	Expected per capita rural income by 2020
413	646	631
in US$ billion	in US$ billion	in US$

Commentary: The country has created the foundation for organised growth and financial inclusion through a bank account for almost every India

SECTORAL PER CAPITA CONSUMPTION OF INDIA

Number of vehicles for every 1000 inhabitants	Per capita steel consumption in FY2019	Per capita electricity consumption	Per capita cement consumption
42	69	805.60	210
	(in kg)	(in kWh)	(in kg)

INCREASED HOUSEHOLDS

Indian middle-class households, 2030 (estimated)	Indian middle-class households, 2010 (estimated)
148	32
(million)	(million)

Commentary: The bulge of the Indian economy is growing, auguring favourably for consumption

URBANISATON

Urban population expected in 2030	Urban population (million), 2017
590	442
(million)	(million)

Commentary: India is the fast urbanizing country, accelerating consumption of non-discretionary items

HOUSING SHORTAGE

Shortage of homes in urban India	Shortage of homes in rural India
~18.78 (million)	43.6 (million)

STRONGER IMPULSE SPENDING

CAGR growth in e-commerce in India	CAGR growth in e-commerce, China
31 (%)	10 (%)

Commentary: This increase is a reflection of a society that needs to spend considerably more than it has done in the past – sign of a changing mindset

INCREASED WEALTHY

HNWI population in India, 2007	HNWI population in India, 2017
124 (in thousand)	330 (in thousand)

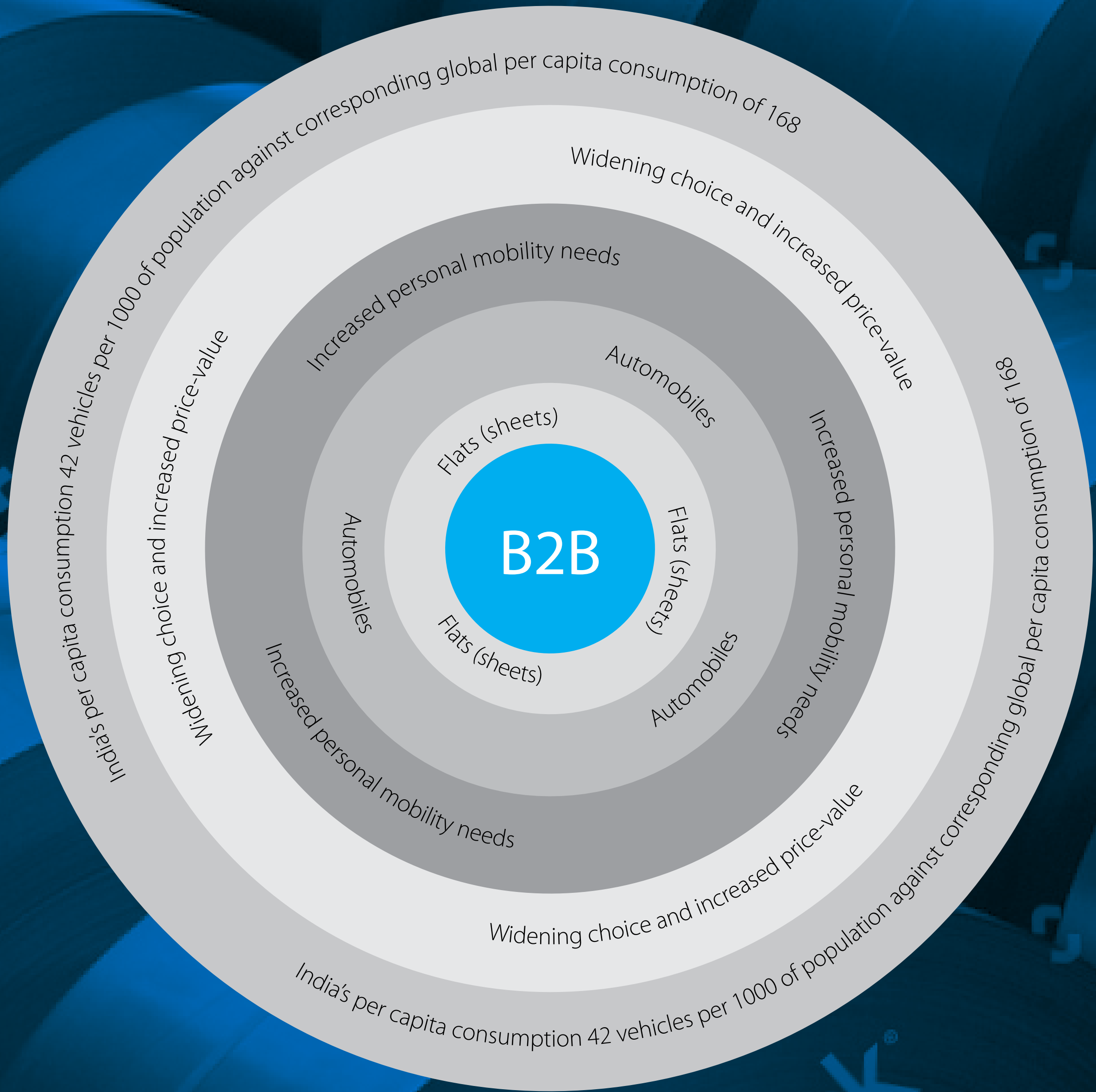
Commentary: The vast increase in the wealthy in India has increased the critical consumption mass of luxurious products

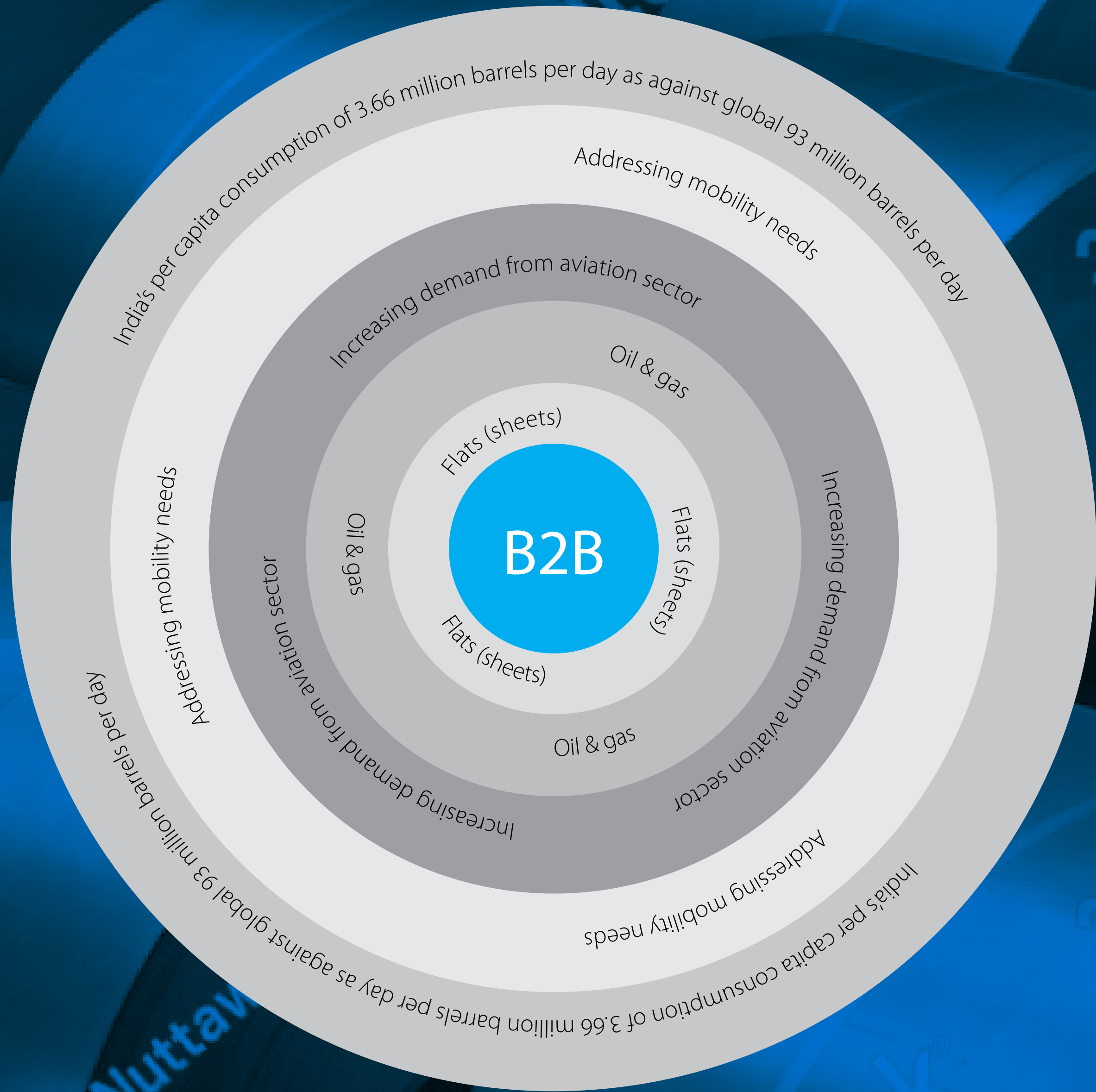
INCREASED WEALTH

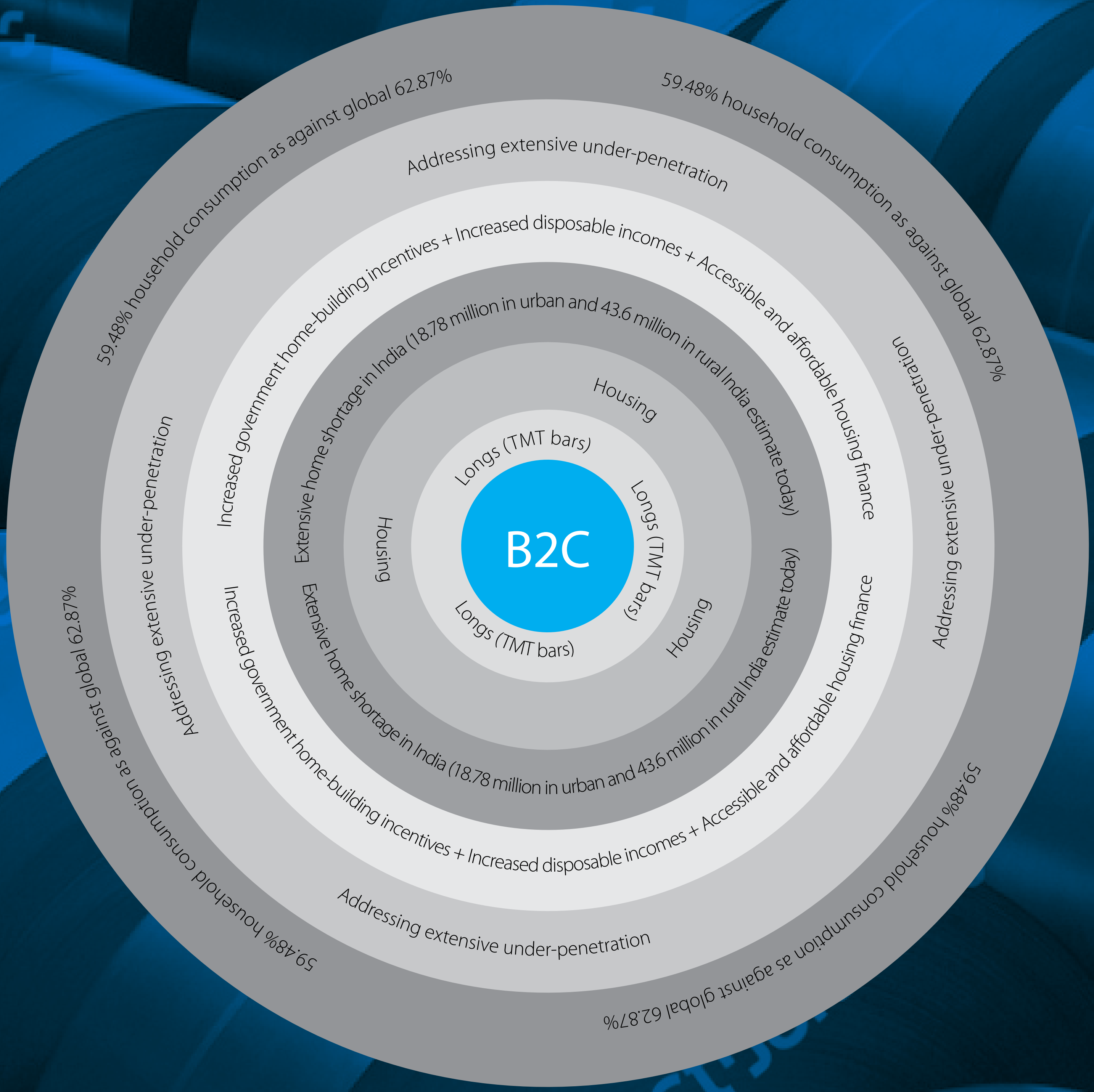
HNWI wealth in India, 2015	HNWI wealth in India, 2010
797.50 (in USD billion)	581.68 (in USD billion)

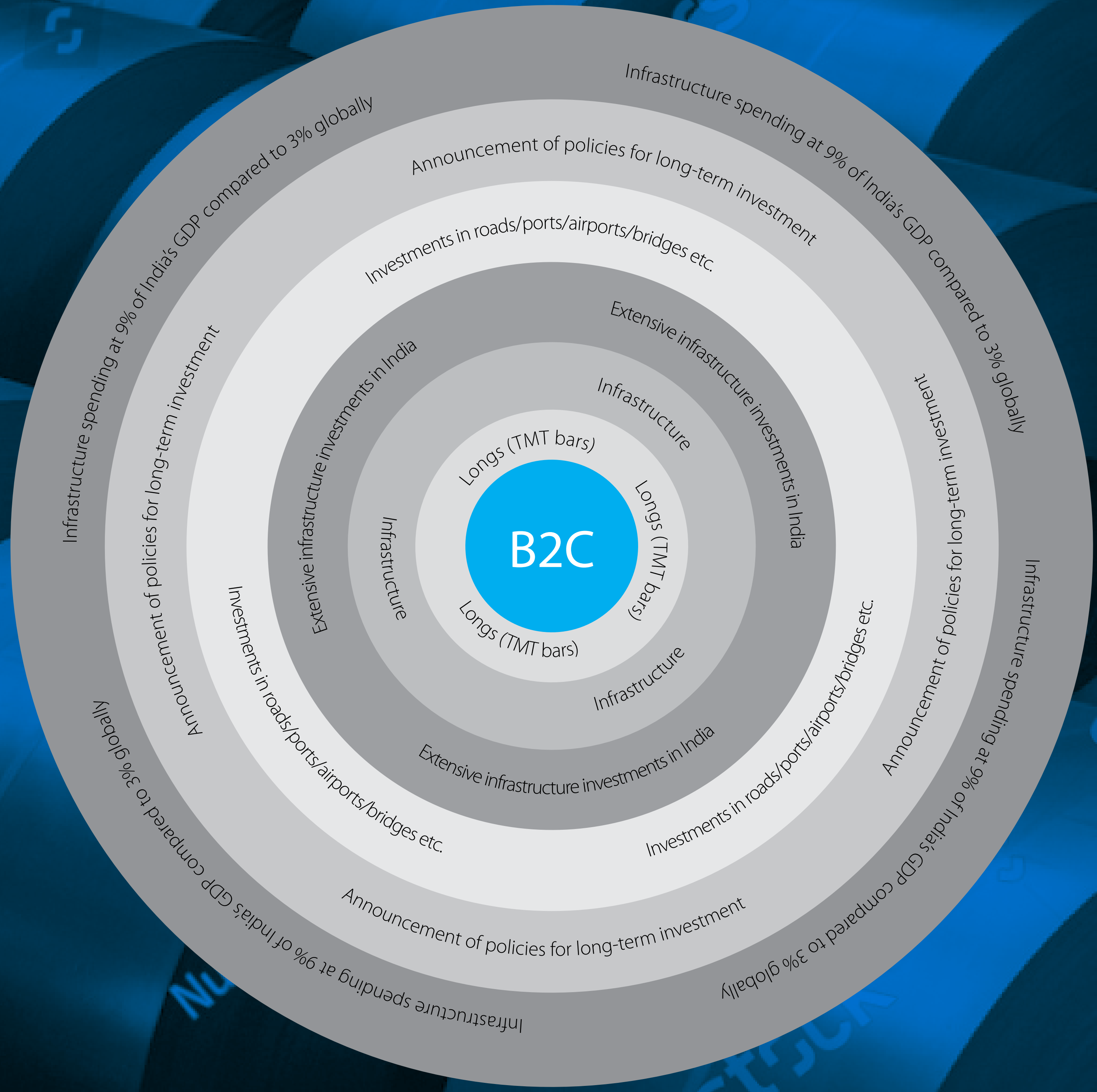
Commentary: The vast increase in wealth is translating into increased consumption in India

(Source: Goldman Sachs, IBEF, World Bank, NITI Aayog, Fao.org, Inflation.eu)


B2B
Flats (sheets)
Automobiles
Increased personal mobility needs
Widening choice and increased price-value
India's per capita consumption 42 vehicles per 1000 of population against corresponding global per capita consumption of 168


B2B
Flats (sheets)
Oil & gas
Increasing demand from aviation sector
Addressing mobility needs
India's per capita consumption of 3.66 million barrels per day as against global 93 million barrels per day





(Source: India services)

HOW THE STEEL INDUSTRY POISED FOR GROWTH IN THE COUNTRY

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Infrastructure Steel projects, oil refineries, highways and bridges, airports, seaports, urban infrastructure, water transportation and sanitation, industrial sheds, pre-fabricated buildings)	9.5	90

Government initiatives

- Bharatmala Phase I (34,800 km of roads at an estimated cost of ₹5.35 lakh crore) to be implemented between 2017-18 and 2021-22
- Under Sagarmala, 577 projects at an estimated investment of US$120 billion have been identified for phase-wise implementation over the period 2015 to 2035.
- As per the Civil Aviation Ministry, at least 20 Indian cities need to have second airport by 2030. It is expected that the country will be required 150-200 airports by 2035 from 100 at present at an investment of US$60 bn
- India is investing around US$7.5 bn towards developing 100 urban centres into smart cities
- Accoring to McKinsey, India will add about 300 million people to its urban centres over the next 20 years, and requires investment of $1.2 trillion to handle this transformation

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Construction (Real Estate – residential, institutional, commercial & industrial)	23.5	45

Growth drivers

- The 'Housing for All' scheme by the government of India is a significant driver of the real estate sector in the country
- With the government's renewed focus on affordable housing and focus on regulatory reforms, the real estate sector is estimated to grow to $650 billion by 2025, hit $850 billion by 2028 and touch $1 trillion by 2030

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Engineering and fabrication (Capital goods, Consumer durables, Yellow goods, Electrical goods, Industrial boilers & Pressure vessels, General engineering, Tube making, Cold reducing, Wire drawing, Nails, Fasteners, Bright bars, Agriculture implements, General fabrication including SMEs)	35	43

Growth drivers

- Engineering goods turnover estimated to have grown from US$ 46 billion in 2104-15 to US$125 billion in 2016-17 by 2030
- The National Manufacturing Policy is a significant policy formulated by the government to facilitate the growth of the manufacturing sector in India.
- The National Capital Goods Policy is formulated with the vision to increase the share of capital goods contribution from present 12% to 20% of total manufacturing activity by 2025. It also aims at creating an ecosystem for a globally competitive capital goods sector to achieve total production in excess of ~₹750,000 Cr by 2025 from the current ~₹230,000 Cr
- The Government of India is also providing various incentives under the 'Make in India' scheme

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Automotive (Cars, two-three wheelers, commercial vehicles, auto components, tractors, bus trailer, tractor-trolley etc)	2.5	10

Growth drivers

- India's Automobile Mission Plan aims to lead India to be among the top three automobile manufacturers in the world by 2026
- Growing per capita income and introduction of new brands is expected to accelerate automobile demand in in the country in the coming years

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Railways (Rail tracks, rolling stocks, wagons, coaches, etc)	2	5

Growth drivers

- Expected investment of over ₹9 lakh crore in the next seven years for modernization and capacity creation
- About 3,300 km of dedicated freight corridors being built at the cost of ₹80,000 crore

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Energy (including Power projects, wind mills, power transmission)	3	11

Growth drivers

- By 2022, domestic demand for generation equipment and transmission & distribution sector is expected to be in the range of US$ 25-30 billion and US$ 70-75 billion respectively owing to initiatives such as 'Power for All'.
- India plans to add 60 GW of wind power installed capacity by the year 2022

Segment	2015-16 demand (MT)	2030-31 projected demand (MT)
Ship building	4	3
Oil and gas pipelines		4
Defence		2
Others		11

Growth drivers

- Shipbuilding in India has a turnover of around ₹3,200 crore and it is likely to increase 3-5 times reaching ₹15,000 crore
- The Draft Defence Production Policy 2018 stipulates 13 areas where India must achieve self-reliance by 2025. DProP 2018 aims to achieve a turnover of ₹1,700 billion ($26 billion approximately) in defence goods and services by 2025

MANAGEMENT DISCUSSION & ANALYSIS

Indian economic overview

India retained its position as the sixth-largest economy and the fastest-growing trillion-dollar economy through a major part of the year under review (except in the last quarter of 2018-19). After growing 7.2% in 2017-18, the Indian economy is estimated to have grown 6.8% in 2018-19 as per the Central Statistics Office release, May 2019.

The principal developments during the year under review comprised a sustained increase in per capita income, decline in national inflation, steadying interest rates and weakened consumer sentiment from the second half of the financial year. The weaker sentiment was on account of a large non-banking financial institution announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment, which in turn resulted in slower GDP growth that declined to 5.8% by the fourth quarter of 2018-19, the slowest growth in a single quarter in years.

In 2018, the country attracted ~US$ 42 billion in FDI inflows as per the World Investment Report 2019. Driven by strong policy reforms, India witnessed a 23-notch jump to a record 77th position in the World Bank's latest report on the 'Ease of Doing Business' that captured the performance of 190 countries.

The commencement of the US-China trade war opened new opportunities for India, particularly in the agro sector. Inflation (including food and energy prices) was estimated at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government continued to invest deeper in digitisation, renewable energy capacity generation and infrastructure building.

Key government initiatives

The Indian government continued to take initiatives to strengthen the national economy.

Bank recapitalisation scheme: In addition to infusing ₹2.1 lac crore in public sector units, the Indian Government announced a capital infusion of ₹41,000 crore to boost credit for a strong impetus to the economy in FY2018-19. The Budget 2019-20 mandated that the Union Government will infuse ₹70,000 crore to strengthen and enhance their lending capacity. (Source: Hindu Business Line)

Expanding infrastructure: India's proposed expenditure of ₹5.97 trillion (US$ 89.7 billion) towards infrastructural development In Union Budget 2018-19 is expected to strengthen the national economy. As of November 2018, total length of road-building projects awarded under Bharatmala Pariyojana (including residual NHDP works) was 6,460 kms for a total cost of ₹1.52 trillion (US$ 21.07 billion). The Government has announced an investment of ₹10,000,000 crore (US$ 1.5 trillion) in infrastructure over the next five years in Budget 2019-20. (Source: IBEF)

Ujjwala Yojana and Saubhagya Yojana: With the help of this initiative the Government has transformed the lives of a large number of rural families by dramatically improving the ease of their living by providing electricity and clean cooking facility to all willing rural families. The government stands committed to providing electricity and clean cooking facility to all by 2022.

UDAN: This scheme is directed towards providing air connectivity to smaller Indian cities, in order to enable the inhabitants of smaller cities to avail the option of travelling by air more easily. Several airports are likely to be constructed under this scheme.

The Insolvency and Bankruptcy code (Amendment), Ordinance 2018: Passed in June 2018, the ordinance provides significant relief to home-buyers by recognising their status as financial creditors. The major beneficiary of this ordinance stands to be the MSMEs, since it empowers the Indian Government to provide the MSMEs with a special dispensation under the code. *(Source: PIB)*

Pradhan Mantri Kisan Samman Nidhi: In February 2019, The Indian Government announced the Pradhan Mantri Kisan Samman Nidhi, a scheme promising an annual assured income of ₹6,000 (US$ 84.5) for any farmer owning up to 2 hectares of farmland. The budget for fiscal year 2020 allocated ₹75,000 crore for the scheme, benefiting ~120 million land-owning farmer households.*(Source: PIB)*

Direct Benefit Transfer: The Direct Benefit Transfer initiative re-engineered the cash disbursement process in welfare schemes through simpler and faster flow of information/funds to ensure accurate targeting of beneficiaries, de-duplication and reduction of fraud. In 2018-19 alone, this scheme is estimated to have transferred more than ₹3,00,000 crore and the gains to have accrued since the implementation of the scheme (upto March 2019) has been estimated at ₹1,41,677.56 crore. *(Source: www.dbtbharat.gov.in)*

Indian steel industry overview

India's crude steel production in 2018 stood at 106.5 million tonnes, up by 4.9% from 101.5 million tonnes in 2017. India emerged as the world's second-largest steel producing country during the year under review, the largest producer of sponge iron and the third-largest consumer of finished steel. The per capita consumption of steel rose from 59 kilograms in 2013-14 to 69 kilograms in 2017-18, which is still way below the global average of ~214 kilograms. Furthermore, India is the fastest-growing market for stainless steel in the world.

The 2018-19 performance of India's steel sector was segregated across two parts – the first half was marked by robust demand from all downstream user segments while the second half was marked by a decline in consumer sentiment that translated into sectoral sluggishness. This is indicated in the numbers: between April and September 2018, India's finished steel output grew 6% to 53.9 million tonnes while consumption rose at 7.8% to 47.7 million tonnes. Domestic steel prices remained firm and the average realisations of cold-rolled coils, hot-rolled coils and TMT bars increased 27-29% during the period under review.

In 2018, India's total stainless steel production was pegged at ~3.6 million tonnes for both long and flat products. Domestic steel prices remained firm during the period between April and September 2018. Average prices of cold-rolled coils, hot-rolled coils and TMT bars increased by 27-29% y-o-y during the period under review. Per tonne prices of cold-rolled coils, hot-rolled coils and TMT bars averaged at ₹61,550, ₹55,716 and ₹49,139, respectively. Increased outlays for the railways sector, affordable housing push, and rising demand in capital goods and consumer durables will further boost the domestic steel industry's growth.

(Source: Worldsteel, Economic Times, Bloomberg, Ministry of Steel)

Government initiatives

- The National Steel Policy projects crude steel capacity of 300 million tonnes, production of 255 million tonnes and a per capita consumption of finished steel of ~160 kilograms by 2030-31.
- The housing and construction sector, where a large part of India's steel is consumed, as the implementation of schemes like Pradhan Mantri Awas Yojna, Sardar Patel Urban Housing Mission, 100 Smart Cities Mission (by 2022), Pradhan Mantri Gram Sadak Yojna, Urban Infrastructure Development Scheme for Small & Medium Towns, National Heritage City Development and Augmentation Yojana, Bharatmala project, 24x7 Power for All initiative (by 2019), Development of Industrial Corridors & National Investment & Manufacturing Zones and Clean Energy Initiative (2022) are implemented.
- The Central Government announced a policy that provides preference to domestically-manufactured iron and steel products for governmental projects. The policy provides a minimum value addition of 15% in notified steel products, which are covered under preferential procurement.
- The Central Government allowed100% FDI through the automatic route, announced a 20% safeguard duty on steel imports and levied an export duty of 30% on iron ore (lumps and fines).

Challenges

The Indian steel industry continues to address uncertainties pertaining to the availability of raw materials (coal and iron ore). Even though the marked shift from an allocation process to an auction process of getting mining blocks enhanced transparency, issues pertaining to transport logistics from the mining areas still remain to be addressed. The resolution process of debt ridden steel companies currently underway at the National Company Law Tribunal can necessitate a marked change in the structure of the industry.

Optimism

Despite the threat of imports, Indian steel enterprises invested in modernising and expanding of existing units and greenfield plants to build a world-class, cost-competitive, environment-friendly and socially-responsible industry. This was in line with the objectives of the National Steel Policy 2017 to increase the per capita steel consumption from a little less than 70 kgs to 160 kilograms by 2030-31.

India's competitiveness can be drawn from the fact that World Steel Dynamics rated 36 Indian steel makers as 'world-class' out of more than 250 large global steel makers. *(Source: Business Today)*

Import of total finished steel (in million tonnes)

Year	Import of total finished steel
FY14	5.45
FY15	9.32
FY16	11.71
FY17	7.90
FY18	8.20
FY19	8.80

(Source: Ministry of Steel, Business Standard)

Export of total finished steel (in million tonnes)

Year	Import of total finished steel
FY14	5.99
FY15	5.99
FY16	4.08
FY17	8.24'
FY18	9.62
FY19	8.40

(Source: Ministry of Steel, Business Standard)

Per capita consumption of steel (kilograms)

Year	Per capita consumption
FY12	58.30
FY13	59.30
FY14	59.56
FY15	61.15
FY16	63.99
FY17	65.25
FY18	68.00
FY19	69.00

(Source: IBEF)

Total crude steel production (in million tonnes)

Year	Import of total finished steel
FY12	74.29
FY13	78.42
FY14	81.69
FY15	88.98
FY16	89.79
FY17	97.95
FY18	102.34
FY19	106.50

(Source: IBEF)

Total finished steel production (in million tonnes)

Year	Import of total finished steel
FY 12	75.7
FY 13	81.68
FY 14	87.67
FY 15	92.16
FY 16	90.98
FY 17	101.81
FY18	104.98
FY19	109.18

(Source: IBEF, Economic Times)

Consumption of finished steel (million tonnes)

Year	Per capita consumption
FY12	70.92
FY13	73.48
FY14	74.10
FY15	76.99
FY16	81.52
FY17	84.04
FY18	90.68
FY19	97.50

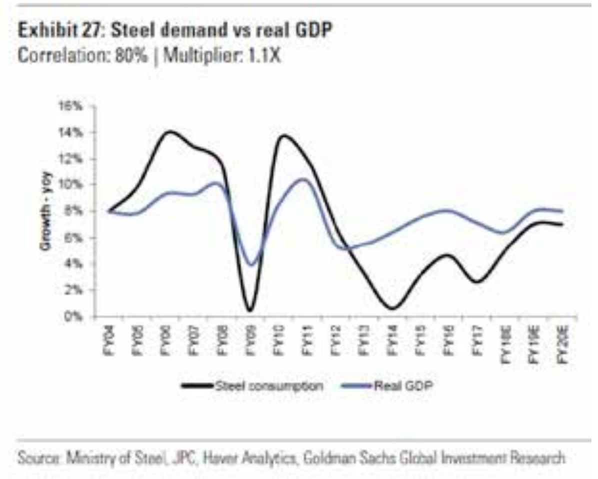
(Source: IBEF, Financial Express)

The government remains focused on augmenting railway capacity

Capex plan FY17-22

Particulars	Capex (in ₹ billion)
Network decongestion (including DFC, electrification, doubling including electrification and traffic facilities)	1,993
Network expansion (including electrification)	1,930
National projects (North Eastern & Kashmir connectivity)	390
Safety (Track renewal, bridge works, ROB,RUB, and signalling & telecom)	1,270
Information technology	50
Rolling stock (locomotives, coaches, wagons-production & maintenance)	1,020
Passenger amenities	125
High speed railway & elevated corridor	650
Station redevelopment and logistics park	1,000
Others	132
Total	

(Source: Ministry of Railways)



Downstream demand drivers

Automotive: This sector is a major demand driver for flat steel products (including basic and specialty steels). Flat products such as hot-rolled coils and sheets find their application in wheel-disc in the automotive segment. Other products like cold-rolled coils and sheets and galvanised coils and sheets find applications in hoods, roofs, doors, bodies, floors, reinforcement pillars, structural safety components and impact beams. A growing demand for automobiles is expected to report higher steel offtake.

Railways: The Indian Railways is investing extensively in increasing rolling stock, track modernisation, launch of modern trains and Dedicated Freight Corridor, strengthening steel demand.

Infrastructure: The construction and infrastructure sectors are the largest steel consumers in India, accounting for more than 60% of the total finished steel consumed. This sector includes the building of highways, bridges, airports, ports, water transportation, pre-fabricated buildings, power projects and real estate (residential and industrial). A significant portion of the steel manufactured in India (flat and long varieties) finds use directly or indirectly in the infrastructure sector.

Power: India increased its power generation capacity from 267.64 GW in 2015 to 349.29 GW in 2018. The country also increased its power transmission capacity from 2, 68,693CKM in 2012 to 3, 81,761 CKM in 2017. India intends to commission 175 GW of renewable energy by 2022, strengthening the offtake of steel.

Housing: A sizeable share of long steel is consumed by India's real estate sector. India is expected to become the third-largest construction market by 2022; the real estate sector is estimated to grow from US$ 120 billion today to US$ 650 billion by 2025 and US$ 1 trillion by 2030.

Commercial office stock in India is expected to cross 600 million square feet by 2018 end while office space leasing in the top eight cities is expected to cross 100 million square feet in 2018-20.

Capital goods: The year 2018 was favourable for infrastructure and capital goods companies, with 30% growth in order inflows. Nearly all the growth was fuelled by government and public sector orders. Listed capital goods, construction and infrastructure companies reported combined order wins of more than ₹2.67 trillion in calendar year 2018.

Consumer durables: The demand for consumer durables like refrigerators as well as consumer electronic goods is likely to witness growing demand in line with increased incomes and aspirations. India's consumer durables sector is expected to grow from US$ 15.5 billion in 2017 to US$ 46.54 billion by 2020.

(Source: IBEF, Business Standard, Business Insider, CARE)

Company overview

Incorporated in 1981 as Bansal Mechanical Works Pvt. Ltd. as a private limited company. In June, 1999 the Company changed its name to BMW Industries Limited, emerged as a prominent industrial group in Eastern India. The Company is engaged in manufacturing of tubular poles and structures, transmission line towers, rebars and providing steel servicing centre and infrastructural services. The Company possesses India's largest steel processing capacity and is considered to be among the foremost tube manufacturers in Eastern India and one of the largest cold rolling and continuous galvanising plants in the sector.

Dummy copy India's GDP growth is strong, inflation low and interest rates likely to decline. peaks. In 2014, the country at 21 trillion, strengthening prospects of steel consumption.

Financial analysis, FY2018-19

BMW Industries Limited followed the accrual basis of accounting under the historical cost convention. Its accounts were prepared on the basis of accounting standards as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

Balance Sheet

- Borrowings for FY2018-19 stood at ₹372 crore compared to ₹428 crore during FY2017-18
- Total non-current assets for FY2018-19 stood at ₹537.85 crore compared to ₹563.51 crore in FY2017-18
- Profit & Loss statement
- Revenues decreased 13% from ₹945 crore in FY2017-18 to ₹823 crore in FY2018-19
- EBITDA maintained at ₹166 crore in FY2018-19
- Profit after tax decreased 20% from ₹51 crore in FY2017-18 to ₹41 crore in FY2018-19
- Total expenses for FY2018-19 stood at ₹784 crore compared to ₹889 crore in FY2017-18
- Depreciation and amortisation stood at ₹46 crore in FY2018-19 compared to ₹48crore in FY2017-18
- Working capital management
- Current assets as on 31st March 2019 stood at ₹502 crore compared to ₹495crore as on 31st March 2018
- Current ratio as on 31st March 2019 stood at 1.39 compared to 1.39 as on 31st March 2018
- Inventories decreased from ₹225 crore as on 31st March 2018 compared to ₹211 crore as on 31st March 2019
- Current liabilities stood at ₹360 crore as on 31st March 2019 compared to ₹357crore as on 31st March 2018
- Cash and bank balances stood at ₹11 crore as on 31st March 2019 compared to ₹10 crore as on 31st March 2018

Key ratios

Particulars	FY2018-19	FY2017-18
EBIDTA/Turnover	20.16	17.55
EBIDTA/Net interest	4.57	3.99
Debt-equity ratio	0.71	0.89
Return on equity (%)	7.86	10.63
Book value per share (₹)	23.16	21.35
Earnings per share (₹)	1.82	2.27

(Source: Ministry of Railways)

Internal control systems and their adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

Human resources

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. As such, the Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

RISK MANAGEMENT

Demand risk
Global economic conditions may adversely affect operations and prospects.

Mitigation
The Indian economy is growing with a focus on the infrastructure and construction sector. Several initiatives, mainly in the areas of affordable housing, railways, shipbuilding, Defence sector and automobile sector are expected to increase steel demand.

Inventory risk
Failure to forecast and manage inventory could result in an unexpected shortfall and/or surplus.

Mitigation
The Company possesses an efficient inventory management system. The Company maintains minimum quantities as per committed orders. It forecasts demand and maintains an adequate inventory to address unforeseen demand.

Customer risk
Customer attrition could affect business sustainability

Mitigation
The strength of the relationship has been tested across decades. Business volumes have grown virtually each year. Even as volumes from this principal customer are growing, the Company selected to grow its proprietary business as well.

Price risk
Significant increase in raw material costs could affect operations

Mitigation
The Company has back-to back engagements with its principal that make it possible to pass on cost increases. Besides, the Company maintains a low finished goods inventory that minimises the impact of raw material price movements.

Financial risk
A rising interest rate could affect profitability

Mitigation
The Company intends to repay debt and strengthen credit rating to negotiate a lower cost of debt. The Company expects to emerge as a zero debt company (long-term debt) by 2022.

DIRECTORS' REPORT

Dear members

Your Directors are pleased to present the 37th (Thirty-Seventh) Annual Report together with Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

(Rupees in lakh)

Details	STANDALONE		CONSOLIDATED	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Income from Operations	84703.99	96019.41	85522.34	96399.25
Profit before Depreciation, Finance Cost and Tax	16583.02	16581.07	16767.27	16700.84
Depreciation	4623.60	4758.96	4680.33	4826.62
Finance Costs	5626.93	4657.05	5627.28	4673.73
Profit Before Tax	6332.49	7165.07	6459.76	7200.49
Tax Expenses	2234.51	2051.63	2280.46	2057.63
Profit after Tax	4097.97	5113.44	4179.30	5142.86
Other Comprehensive Income	17.73	31.96	20.96	32.35
Total Comprehensive Income	4115.70	5145.40	4200.26	5175.21

FINANCIAL PERFORMANCE HIGHLIGHTS

The Company achieved a gross income of Rs.84703.99 Lakh as against Rs. 96019.41 Lakh in the previous financial year on standalone basis. The Profit before Tax was Rs. 6332.49 Lakh as against Rs. 7165.07 Lakh in the previous year and Profit After Tax was Rs. 4097.97 Lakh as against Rs. 5113.44 Lakh in the previous year on standalone basis.

The Company achieved a gross total income of Rs. 85522.34 Lakh during the year on consolidated basis as against Rs. 96399.25 Lakh in the previous year. The profit before tax during the year on consolidated basis was Rs. 6459.76 Lakh as against Rs. 7200.49 Lakh in the previous year. The Profit after Tax during the year on consolidated basis was Rs. 4179.30 Lakh as against Rs. 5142.86 Lakh in the previous year.

There are no material changes or commitments affecting the financial position of the Company which has occurred between the end of financial year and the date of Report.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company has performed well during the year under review. It has maintained the continuous growth perspective. Your directors are pleased to inform you that your company had set up new Rolling unit for production of TMT Re Bar under the Brand Name "BANSAL SUPER" in the last financial year and the Company has now established its product in the market. The Company has set up a distribution channel by appointing new distributors and dealers. The marketing team has been strengthened the efforts are being to expand the market. The Company has undertaken advertising, branding through various mediums like TV, Radio, Wall painting, OOH, etc.

In the current year the directors are of the opinion that the performance of the company will be much better than the year under review as TMT product has established itself in the market. The distribution channel will be more strengthened and a move is derived to reach the ultimate consumer. The company will continue to contribute to its own growth and also to the growth of the economy and society at large.

DIVIDEND

The Board of Directors of the Company has approved the payment of Interim dividend of Re. 0.02 per equity share on April 10, 2018 and the same was paid to the eligible shareholders. No final dividend for the financial year 2018 -19 is recommended.

TRANSFER TO GENERAL RESERVE

The Board of Directors does not propose to transfer any fund to the General Reserve..

SHARE CAPITAL

The paid up Equity share capital of the Company as at 31st March, 2019 stood at Rs. 22,50,86,460. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares. As on 31st March, 2019, none of the Directors of the Company holds instrument convertible into equity shares of the Company. Your Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

DEPOSITS

Your Company has neither accepted nor renewed any deposits from public within the meaning of Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the financial year ended 31st March, 2019.

LOANS, GUARANTEES AND INVESTMENTS

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

INDIAN ACCOUNTING STANDARDS (IND AS)

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your Company is required to prepare financial statements under Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act,2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2017. Ind AS has replaced the existing Indian GAAP as prescribed under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

Accordingly the Company has adopted Indian Accounting Standard (Ind As) with effect from 1st April, 2017 and Financial Statements for the year ended 31st March, 2019 has been prepared in accordance with Ind AS.

The MCA notification also mandates that IND AS shall be applicable to subsidiary Companies, Joint Venture or associates of the Company. Hence the Company and BMW Industries Group have prepared and reported financial statements under IND AS w.e.f 1st April, 2017.

The estimates and judgments relating to financial Statements are made on a prudent basis so as to reflect in a true and fair manner there for and substance of transaction are reasonably present in the company's State of Affairs, Profits and Cash Flows for the year ended 31st March, 2019. The notes to the financial Statement adequately cover the Standalone and consolidated Audited Statements and form an integral part of this Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr Harsh Kumar Bansal (DIN: 00137014) shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr Harsh Kumar Bansal is not disqualified from being appointed as a Director as specified in terms of Section 164 (2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules 2014.

The brief resume/details of Mr. Harsh Kumar Bansal who is to be appointed as director are furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends the appointment of the said director at the ensuing AGM.

Mr. Sunil Kumar Parik, Mr. Rampriya Sharan, and Mr. Debashis Basu were appointed as Independent Director for a period of 5 years on 25th September, 2014. Their term will expire on 24th September, 2019. Considering the valuable contribution of these directors the Board recommends their appointment for a second term of 5 years.

Ms. Gayatri Singh was appointed as Independent Director for a period of 5 years on 21st November, 2014 and her term will expire on 20th November, 2019. The Board recommends her appointment for a second term of 5 years.

Disqualification of directors

All the Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013 and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD EVALUATION

The Company has formulated a Policy for performance evaluation of Independent Directors, Board Committees and other Directors, by fixing certain criteria, which was approved by the Nomination and Remuneration Committee and adopted by the Board. The criteria for the evaluation include their functioning as Members of Board or Committees of the Directors included their contribution as well as Board composition, effectiveness of Board processes, information and functioning. The criteria for committee functioning includes effectiveness of committee meetings, performance review in accordance roles and responsibilities assigned. The criteria for evaluation of individual director included their contribution and preparedness for the issues discussed at the meetings, The Chairman was also evaluated with respect to his role. A structured questionnaire, evolved through discussions within the Board, has been used for this purpose. Further on the basis of recommendations of the Nomination and Remuneration Committee and the performance review by Independent Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors. The Board was satisfied with the evaluation process.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of your Company have given declarations that they meet the criteria of independence as laid down under

Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FAMILIARIZATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTOR

In terms of Regulation 25(7) of the SEBI (LODR) Regulations, 2015, your Company is required to conduct Familiarisation Programme for Independent Directors (Ids) to familiarise them about your Company including nature of Industry in which your company operates, business model, responsibilities of the Ids etc. Further, pursuant to Regulation 46 of the SEBI (LODR) Regulations, 2015, your Company is required to disseminate on its website, details of familiarization programmes imparted to the Ids including the details of the same. During the year, the Company has organised one familiarisation Programme of the Independent Directors. The details of the familiarization programme of Independent Directors are provided in the Corporate Governance Report. The link to the details of familiarization programmes imparted to the Ids is http://www.bmwil.co.in/img/pdfupload/conduct28642895c4575e684e3ef4ca5ad3e0b46e53dc.pdf

REMUNERATION POLICY

The Board has on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration Policy, which inter alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The remuneration policy of the Company aims to attract, retain and motivate qualified people at the Executive and at the Board levels. The remuneration policy seeks to employ people who not only fulfill the eligibility criteria but also have the attributes needed to fit into the corporate culture of the Company. The said Policy has been disclosed in the Corporate Governance Report, which forms part of this Annual Report and is also given on the website at its weblink i.e. http://www.bmwil.co.in/img/pdfupload/conduct5116335e89de53758f12245ef7863cdbacf404.pdf

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors acknowledges the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and provisions of the SEBI (LODR) Regulations, 2015 and in the preparation of the annual accounts for the year ended 31st March, 2019 states that —

(a) in the preparation of the annual accounts, the applicable Indian accounting standards have been followed along with proper explanation relating to material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that year;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

THE BOARD OF DIRECTORS AND COMMITTEE

Board of Directors

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. However, in case of special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. During the year under review, ten Board Meetings were convened the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 as well as the SEBI (LODR) Regulations, 2015.

Committees of the Board

The Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Finance Committee to work on areas specifically assigned to them by the Companies Act, 2013 and by the Board to perform.

The details of Committees, Their composition, terms of reference , date of meetings and attendance at the meeting have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which financial statements relates and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the operations of the Company in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

The Audit Committee of Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. The Audit Committee have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company 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. The Company has a robust system of MIS which is an integral part of the Control Mechanism.

An external independent firm carries out the internal audit of the Company operations and reports to the Audit Committee on a regular basis. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting. The Audit Committee of Board of Directors, Statutory Auditors and the Business heads are periodically apprised of the internal Audit findings and correction action taken. Audit plays key role in providing assurance to the Board of Director. Significant audit observation and corrective action taken by management are presented to the Audit Committee to maintain its objectivity and independence. Internal Audit function reports to the Chairman of the Audit Committee.

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2019 the Company has nine subsidiaries .

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries forms part of the Annual Report. Further a statement containing the salient features of the financial statements of each of the subsidiaries, associates in the prescribed format Form AOC-1, forms part of the Annual Report. The annual accounts of the subsidiary companies will be made available to the shareholders on request and will also be kept for inspection by the shareholders at the registered office of your Company.

Further as per Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company are available at our website at www.bmwil.co.in

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 and the Relevant Rules, the Board has constituted the Corporate Social Responsibility Committee to take care of initiative of the Company towards social responsibility. The Committee make plans for CSR activities and reviews the same from time to time. The Board of Directors have formulated a Corporate Social Responsibility Policy, The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are:

— Formulate and recommend to the Board, the CSR Policy
— Recommend the amount of expenditure to be incurred on the activities undertaken
— Monitor the CSR Policy of the Company from time to time
— Review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities
— Review the Company's disclosure of CSR matters

The CSR Policy is available on Company's website at http://www.bmwil.co.in/img/pdfupload/conduct-20686988b18b2c19c7248e9f377a0a2f57f0df.pdf

The Company was required to spend 2% of the average net profit for the preceding three years and the company has spent the said amount the details of which are mentioned in " Annexure- A" to this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The details required pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules , 2014, relating to conservation of energy, technology absorption and Foreign Exchange Earning and outgo form part the Board's Report and marked as "Annexure –B"

AUDITORS

STATUTORY AUDITORS

In accordance with Section 139 of the Companies Act, 2013 read with the Companies(Audit and Auditors Rules) 2014, M/s. Lodha & Co. Chartered Accountants (Firm Registration Number 301051E) were appointed as Statutory Auditors of the Company for five years at the Annual General meeting of the company held on 18th September 2017.

In accordance with the provision of Companies Amendment Act 2017 enforced on 7th May, 2018, the requirement of ratification of appointment of Auditor at each Annual General Meeting has been done away with.

Auditor's Report on the Financial Statement for the financial year ended 31st March, 2019 forms part of this Annual Report. The Auditor's Report is self explanatory and does not contain any qualification or reservations or adverse remark or report of fraud.

COST AUDITORS

The Board of Directors of the Company appointed M/s Sohan Lal Jalan & Associates, Cost Accountants, (Firm Registration Number 000521) as Cost Auditors of the Company for the financial year 2019-20 in accordance with Section 148 of the Companies Act, 2013 read with the Companies (Cost Record & Audit) Rules 2014 at a remuneration of Rs. 150000/- plus applicable taxes and reimbursement of out of pocket expenses. The remuneration is required to be approved by the shareholders at the ensuing Annual General Meeting and a resolution to such effect is included in the notice of Annual General Meeting.

M/s Sohan Lal Jalan & Associates are also the Cost Auditors for the financial year 2018-19.

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s MKB & Associates, Company Secretaries (Firm Registration Number (P2010WB042700) a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2018--19. The Report of the Secretarial Audit is annexed herewith as "Annexure C".

RELATED PARTY TRANSACTIONS

As required under the SEBI (LODR) Regulations, 2015, 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.

All the related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There were no materially significant related party transaction which may have conflict with interest of the company or which are required to be reported in form AOC 2.

The Company has formulated a policy on related party transactions for purpose of identification and monitoring of such transactions. The said policy on related Party transactions as approved by the Board is posted at the Company's website at the weblink http://www.bmwil.co.in/img/pdfupload/conduct-10029650a3ff8c8cada143431acb4821cc54c7.pdf

The details of related party transaction entered during the year are provided in the notes of Financial Statement.

EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT – 9 which forms an integral part of this Annual Report is enclosed as "Annexure – D" and is also available on the website of the company.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as "Annexure E" and forms part of the Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concern about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The Audit Committee regularly reviews the complaints received . The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company at the weblink http://www.bmwil.co.in/img/pdfupload/conduct-726504c7eaf1edb1466c58eb12e8c6955ed1c.pdf During the year under review, no complaints have been received /reported.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out by SEBI. The Company has also implemented several best corporate governance practices. The report on Corporate Governance as stipulated under Schedule V of the SEBI (LODR) Regulations, 2015 forms an integral part of this report.

CODE OF CONDUCT

The declaration from Managing Director of the Company in respect of compliance of Code of conduct by the Board Members and Senior Management personnel forms part of the Annual Report.

CERTIFICATE ON CORPORATE GOVERNANCE

As per the Regulation 34(3) read with Schedule V of the Listing Regulations a separate section on Corporate Governance Practice followed by the Company together with a certificate from practicing Company Secretary confirming compliance of Corporate Governance as stipulated forms part of the Annual Report.

Your Company has taken adequate steps for strict compliance with the Corporate Governance guidelines, as amended from time to time.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The report on Management Discussion & Analysis Report as stipulated under Schedule V of the SEBI (LODR) Regulations, 2015 forms an integral part of this report.

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

RISK MANAGEMENT POLICY

Your Company's risk management strategy strives to balance the tradeoff between risk and return and ensure optimal risk-adjusted return on capital, and entails independent identification, measurement and management of risks across the various businesses of your Company.

The Company has formulated a Risk Assessment & Management Policy which identify, evaluate business risks and opportunities. The risk management system of the Company is reviewed by the Audit Committee and the Board of Directors on a regular basis. During the year, no major risks were noticed, which may threaten the existence of the company.

The details of the same are covered in the Corporate Governance Report forming part of the Board's Report.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders, wherever available. In case, any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request in this respect.

HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of BMW Industries Group. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective, your company spends large efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "great people create great organization" has been at the core of the Company's approach to its people.

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

Your Company is committed to provide a safe and secure environment to its women employees across its functions, as they are considered as integral and important part of the Organisation. Your company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. There was no case of sexual harassment reported during the year under review.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Regulatory and Government Authorities, Bankers, Business Associates, Shareholders and the Customers of the Company for their continued support to the Company. The Directors express their deep sense of appreciation towards all the employees and staff of the Company and wish the management all the best for achieving greater heights in the future.

For and on behalf of the Board

Ram Gopal Bansal
Chairman
DIN: 00144159

Place: Kolkata
Date: 30th May, 2019

Annexure 'A' to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 & Rules made there under)

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

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR Policy towards enhancing welfare measures of the society and the same has been approved by the CSR Committee of the Board. The Company would also give preference to the local areas and areas around the Company for spending the earmarked for CSR activities. The Company has proposed to undertake activities promoting education and health care.

Web-link of the CSR Policy:

The Policy on CSR adopted by the Company may be referred to, at the web-link

http://www.bmwil.co.in/img/pdfupload/conduct20686988b18b2c19c7248e9f377a0a2f57f0df.pdf

2. The Composition of the CSR Committee as on 31st March, 2019

Sl. No.	Name of Members	Category
1.	Mr. Harsh Kumar Bansal	Managing Director and Chairman of the Committee
2.	Mr. Debasish Basu	Independent, Non-Executive Director –Member
3.	Mr. Rampriya Sharan	Independent, Non-Executive Director- Member

3. Average net profit of the Company for last three financial years

Average Net Profit of the Company for the last three financial years is Rs. 4,958.98 Lakh.

4. Prescribed CSR expenditure (2% of the amount as in item no. 3 above)

The prescribed CSR expenditure at 2% of the Net Profit as in Item No 3 above is Rs. 99.18 Lakh.

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

a) Total amount to be spent for the FY 2018-19: Rs. 99.18 Lakh

b) Amount unspent, if any: Nil

c) Manner in which the amount spent during the FY 2018-19:

(Rs. In Lakh)

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) The State and district where the projects or programs was undertaken	Amount outlay (budget) projects or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period i.e. FY 2018-2019	Amount spent direct or through implementing agency
1.	Contribution for providing food, medical and other basic needs for cows & other animals	Animal Welfare	Kolkata	1.50	1.50	1.50	Implementing Agency – Calcutta Pinjrapole Society
2.	Ekal Aviyan – Adoption of one teacher school, Maintenance of Schools, Sponsoring education of poor children, School Building construction	Promotion Of Education including special education	Various parts of West Bengal, Jharkhand, other states.	73.16	73.16	73.16	Implementing Agency- Direct and through Friends of Tribal Society, ,Sheo Bai Bansal Charitable trust, St. Joseph Leprocy Patient Society, Bansal Foundation. Etc.

(Rs. In Lakh)

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) The State and district where the projects or programs was undertaken	Amount outlay (budget) projects or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period i.e. FY 2018-2019	Amount spent direct or through implementing agency
	Contribution for Drinking Water Project, Providing safe drinking water,	Providing Safe Drinking Water	Jharkhand & West Bengal	0.81	0.81	0.81	Implementing Agency- Shree Kashi Biswanath Sewa Samity, Brahma Service Society.
4.	Annadanam- Contribution for providing Nutrition to poor villagers and handicapped children of School. Providing Breakfast and Lunch to students,	Eradication Of Hunger, Poverty & Malnutrition Eradication Of Hunger, Poverty & Malnutrition	Tamil Nadu	25.80	25.80	25.80	Implementing Agency - Kshetropasna
5.	Contribution towards medical treatment of poor people, arrangement of medical facilities in villages	Promoting Health care including preventive health care	West Bengal & Others	9.72	9.72	9.72	Implementing Agency- Kshetropasna,Bansal Foundation
6.	Contribution to Chief Minister Distress Relief Fund, Kerala			1.00	1.00	1.00	Bansal Foundation
		Total		111.99	111.99	111.99	

6. Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in line with CSR objectives and policy of the Company.

(Harsh Kumar Bansal)
(DIN: 00137014)
Managing Director & Chairman of CSR Committee

Place: Kolkata
Date: 31st March, 2019

Annexure 'B' to Board's Report

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for financial year ended on 31st March, 2019

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy:

- The Company continues to give high priority to the conservation of energy on an ongoing basis. The Company monitors the energy consumption and it takes due care in proper utilization of the energy.
- The regular maintenance of Plant & Machinery, installation of Automated Machines and watchful supervision results in reduction in energy consumption.
- Steps are taken for replacing defective and inefficient equipments as and when required.
- The Company has initiated special drive for increasing efficiency with the lesser conservation of energy and preventing misuse or wastage of energy.

(ii) Steps taken for utilizing alternate sources of energy: The Company is exploring for alternate sources of energy.

(iii) Capital Investment on energy conservation equipments: No material expenditure was incurred on energy conservation equipments.

B. Technology Absorption

i) Efforts, made towards technology absorption. The Company is using new technology machines for better production and effective utilization of resources. Manufacturing process is continuously monitored to ensure better productivity.

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

- Improved productivity and cost reduction.
- Introduction of new and improved products.
- Improvement in product quality.

The above has helped the Company to satisfy the consumers need and business requirements.

iii) In case of imported technology: During last 3 FYs including FY 2018-19, the Company has not imported any technology.

C. Foreign Exchange Earnings and Outgo

Foreign exchange earned	:	Nil
Foreign exchange outgo	:	Rs. 2279.79 (Lakhs)

Annexure 'C' to Board's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To
The Members,
BMW INDUSTRIES LIMITED

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018.

   d) The Securities & Exchange Board of India (Share Based Employee Benefit) Guidelines, 2014

   e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

   f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

   h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buy back of Securities) Regulation, 2018

   i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, no other laws/ acts are specifically applicable to the Company.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that the Company had not complied with the provision of Section 123 (4) in respect on interim dividend declared during the Financial Year 2018-19. The amount of interim dividend has been deposited in a scheduled bank account after five days from the date of declaration.

We further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review.

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

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

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

We further report that the Company is in the process of filing an application to the Central Government for condonation of delay in intimation of resolution of the board of directors for approving the consolidated financial statement for the financial year 2017-18 in terms of section 460 of the Act.

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

For MKB & Associates
Company Secretaries

Neha Somani
ACS no. 44522
COP no. 17322
FRN:P2010NB042700

Date: 30th May, 2019
Place: Kolkata

ANNEXURE – I

To
The Members,
BMW INDUSTRIES LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries

Neha Somani
(Partner)
ACS no. 44522
COP no. 17322
FRN:P2010NB042700

Date: 30th May, 2019
Place: Kolkata

Annexure 'D' to Board's Report

FORM NO. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L51109WB1981PLC034212
ii.	Registration Date	21/10/1981
iii.	Name of the Company	BMW Industries Limited
iv.	Category/Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	119, Park Street, White House, 3rd Floor, Kolkata - 700 016 Tel : + 91 (33) 4007 1704 Fax : + 91 (33) 4007 1704 E-mail : www.bmwil.co.in
vi.	Whether listed company	Yes on The Calcutta Stock Exchange Ltd & BSE Limited
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	ABS Consultant Private Limited Stephen House, Room No. 99 6th Floor, 4, B. B. D. Bag (East), Kolkata - 700 001 Tel : + 91 (33) 2243 0153, 2220 1043 E-mail : absconsultant@vsnl.net

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.	Manufacturing of Engineering Products & Providing Engineering Services	241	98.33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	SAIL Bansal Service Centre Limited	U27310WB2000PLC092486	Subsidiary	60%	2(87)
2.	Confident Financial Consultancy Pvt Ltd	U67190WB2008PTC124149	Subsidiary	100%	2(87)
3.	Perfect Investment Consultancy Pvt Ltd	U74992WB2008PTC124136	Subsidiary	100%	2(87)
4.	Sidhant Investment Advisory Pvt Ltd	U74120WB2008PTC122119	Subsidiary	100%	2(87)
5.	Siddhi Vinayak Commosales Pvt Ltd	U51909WB2008PTC129643	Subsidiary	100%	2(87)
6.	Shri Hari Vincom Pvt Ltd	U51909WB2008PTC129652	Subsidiary	100%	2(87)
7.	Narayan Dealcom Pvt Ltd	U51909WB2008PTC129649	Subsidiary	100%	2(87)
8.	Fairplan Vintrade Pvt Ltd	U51909WB2008PTC129650	Subsidiary	100%	2(87)
9.	Nageshwar Trade-Link Pvt Ltd	U51909WB2008PTC129645	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	8,30,12,080	-	8,30,12,080	36.88	8,30,12,080	-	8,30,12,080	36.88	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	7,47,30,139	-	7,47,30,139	33.20	7,47,30,139	-	7,47,30,139	33.20	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1)	**15,77,42,219**		**15,77,42,219**	**70.08**	**15,77,42,219**	**-**	**15,77,42,219**	**70.08**	**-**
2) Foreign									

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**15,77,42,219**	**-**	**15,77,42,219**	**70.08**	**15,77,42,219**	**-**	**15,77,42,219**	**70.08**	**-**
B. Public Shareholding	**-**	**-**	**-**	**-**					
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
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)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non -Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	6,72,67,130	-	6,72,67,130	29.89	5,64,16,130	-	5,64,16,130	25.07	-4.82
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,200	75,911	77,111	0.03	32,98,000	58,111	33,56,111	1.49	1.46
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	75,72,,000	-	75,72,000	3.36	3.36
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(2)	**6,72,68,330**	**75,911**	**6,73,44,241**	**29.92**	**6,72,86,130**	**58,111**	**6,73,44,241**	**29.92**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**6,72,68,330**	**75,911**	**6,73,44,241**	**29.92**	**6,72,86,130**	**58,111**	**6,73,44,241**	**29.92**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**22,50,10,549**	**75,911**	**22,50,86,460**	**100.00**	**22,50,28,349**	**58,111**	**22,50,86,460**	**100.00**	**0.00**

ii. Shareholding of Promoters

Sl. No	Name of Shareholders	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)*			% 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	
	Indian Promoter							
	Individuals/HUF/Bodies Corporate							
1.	Ram Gopal Bansal (HUF)	5,93,750	0.26	-	5,93,750	0.26	-	0.00
2.	Pratiti Bansal	19,93,250	0.89	-	19,93,250	0.89	-	0.00
3.	Shalini Bansal	27,93,250	1.24	-	27,93,250	1.24	-	0.00
4.	Premlata Bansal	94,12,500	4.18	-	94,12,500	4.18	-	0.00
5.	Vivek Kumar Bansal	1,40,22,080	6.23	-	1,40,22,080	6.23	-	0.00
6.	Harsh Kumar Bansal	1,84,47,250	8.20	-	1,84,47,250	8.20	-	0.00
7.	Ram Gopal Bansal	3,57,50,000	15.88	-	3,57,50,000	15.88	-	0.00
8.	Bansal Engineering Works Pvt Ltd	18,00,000	0.80	-	18,00,000	0.80	-	0.00
9.	Dharmik Commotrade Pvt Ltd	31,25,000	1.39	-	31,25,000	1.39	-	0.00
10.	Encash Commercial Pvt Ltd	34,37,500	1.53	-	34,37,500	1.53	-	0.00
11.	Lakshya Compusoft Pvt Ltd	37,50,000	1.67	-	37,50,000	1.67	-	0.00
12.	Deep Goods Pvt Ltd	37,50,000	1.67	-	37,50,000	1.67	-	0.00
13.	Dharmik Tie up Pvt Ltd	38,75,000	1.72	-	38,75,000	1.72	-	0.00
14.	Paramatma Commercial Pvt Ltd	40,62,500	1.80	-	40,62,500	1.80	-	0.00
15.	Mahabali Goods Pvt Ltd	42,00,000	1.87	-	42,00,000	1.87	-	0.00
16.	Rajani Vanijya Pvt Ltd	42,18,750	1.87	-	42,18,750	1.87	-	0.00
17.	Jaymala Commercial Pvt Ltd	51,87,500	2.30	-	51,87,500	2.30	-	0.00
18.	Pioneer Goods Pvt Ltd	55,81,250	2.48	-	55,81,250	2.48	-	0.00
19.	Bansal Business Pvt Ltd	99,38,000	4.42	-	99,38,000	4.42	-	0.00
20.	Jani Fincom Pvt. Ltd.	1,09,23,750	4.85	-	1,09,23,750	4.85	-	0.00
21.	Rolex Trafin Pvt. Ltd.	44,70,500	1.99		44,70,500	1.99	-	1.99
22.	Tricom Investments Pvt. Ltd.	64,85,500	2.88		64,85,500	2.88		2.88
	Total	15,77,42,219	70.08	-	15,77,42,219	70.08	-	4.87

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

Category of Shareholders	Shareholding of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	15,77,42,219	70.08	15,77,42,219	70.08
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	15,77,42,219	70.08
At the End of the year			15,77,42,219	70.08

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Murray Financial Services Pvt Ltd						
	At the beginning of the year					1,01,46,010	4.51
		20-07-2018	Transfer	(10,00,000)	(0.45)	91,46,010	4.06
		20-07-2018	Transfer	(2,00,000)	(0.09)	89,46,010	3.97
		20-07-2018	Transfer	(2,00,000)	(0.09)	87,46,010	3.88
		20-07-2018	Transfer	(1,00,000)	(0.04)	86,46,010	3.84
	At the end of the year					86,46,010	3.84

Sl. No.	For Each of the Top 10 Shareholders	Date	Reason	Shareholding of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Maninya Comfin Pvt Ltd						
	At the beginning of the year					82,10,120	3.65
				No Change			
	At the end of the year					82,10,120	3.65
3.	Tirupati Commosales Pvt Ltd						
	At the beginning of the year					75,00,000	3.33
				No Change			
	At the end of the year					75,00,000	3.33
4.	Merrit Fintrade Pvt Ltd						
	At the beginning of the year					73,69,500	3.27
				No Change			
	At the end of the year					73,69,500	3.27
5.	Torrid Fintra Pvt Ltd						
	At the beginning of the year					71,00,500	3.15
				No Change			
	At the end of the year					71,00,500	3.15
6.	Cloret Investments Pvt Ltd						
	At the beginning of the year					63,52,500	2.82
				No Change			
	At the end of the year					63,52,500	2.82
7.	Rosset Fiscal Pvt Ltd						
	At the beginning of the year					51,51,000	2.29
				No Change			
	At the end of the year					51,51,000	2.29
8.	Luke Securities Limited						
	At the beginning of the year			0	0	0	0
		20-04-2018	Transfer	24,00,000	1.065	2400,000	1.065
		27-04-2018	Transfer	24,00,000	1.065	48,00,000	2.13
	At the end of the year					48,00,000	2.13
9.	Harish Agarwal						
	At the beginning of the year			0	0	0	0
		28-09-2018	Transfer	11,50,000	0.52	11,50,000	0.52
	At the end of the year					11,50,000	0.52
10.	Kanha Vincom Pvt. Ltd						
	At the beginning of the year			37,50,000	1.67	37,50,000	1.67
		28-09-2018	Transfer	(25,15,000)	(1.12)	16,64,000	0.55
		08-02-2019	Transfer	(2,14,000)	(0.10)	10,21,000	0.45
	At the end of the year					10,21,000	0.45
11.	Gregory Credit Pvt.Ltd.						
	At the beginning of the year					36,78,500	1.63
		17-08-2018	Transfer	(30,00,000)	(1.33)	6,78,500	0.30
		24-08-2018	Transfer	(5,00,000)	(0.22)	1,78,500	0.08
		12-10-2018	Transfer	50,000	0.02	2,28,500	0.10
		02-11-2018	Transfer	(50,000)	(0.02)	1,78,500	0.08
	At the end of the year					1,78,500	0.08
12.	Bleweet Finvest Pvt Ltd						
	At the beginning of the year					51,59,000	2.29
		20-04-2018	Transfer	(24,00,000)	(1.06)	27,59,000	1.23
		27-04-2018	Transfer	(27,00,000)	(1.20)	3,59,000	0.03
	At the end of the year					59,000	0.03

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Mr. Ram Gopal Bansal				
	Chairman, Whole-Time Director	3,57,50,000	15.88	3,57,50,000	15.88
2.	Mr. Harsh Kumar Bansal				
	Managing Director	1,84,47,250	8.20	1,84,47,250	8.20
3.	Mr. Vivek Kumar Bansal				
	Managing Director	1,40,22,080	6.23	1,40,22,080	6.23
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year*			
	At the End of the year				
1.	Mr. Ram Gopal Bansal				
	Chairman, Whole-Time Director	3,57,50,000	15.88	3,57,50,000	15.88
2.	Mr. Harsh Kumar Bansal				
	Managing Director	1,84,47,250	8.20	1,84,47,250	8.20
3.	Mr. Vivek Kumar Bansal				
	Managing Director	1,40,22,080	6.23	1,40,22,080	6.23

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	3,92,04,04,120	35,88,38,628	-	4,27,89,42,748
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due				
Total (i+ii+iii)	**3,92,04,04,120**	**35,88,38,628**	**-**	**4,27,89,42,748**
Change in Indebtedness during the financial year	12,90,83,950	21,07,48,921	-	33,98,32,871
- Addition	(71,60,67,085)	(18,78,09,390)	-	(90,38,76,475)
- Reduction				
Net Change	**(58,69,83,135)**	**2,29,39,531**	**-**	**(43,29,32,863)**
Indebtedness at the end of the financial year	3,33,34,20,985	38,17,18,159	-	3,71,51,99,144
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due				
Total (i+ii+iii)	**3,33,34,20,985**	**38,17,18,159**	**-**	**3,71,51,99,144**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of Whole Time Director / Managing Directors / Manager			Total Amount
		Ram Gopal Bansal, Chairman, Whole time Director	Harsh Kumar Bansal, Managing Director	Vivek Kumar Bansal, Managing Director	
1.	Gross salary	1,56,00,000	1,20,00,000	1,20,00,000	3,96,00,000
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961				
2.	Stock Option	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of Whole Time Director / Managing Directors / Manager			Total Amount
		Ram Gopal Bansal, Chairman, Whole time Director	Harsh Kumar Bansal, Managing Director	Vivek Kumar Bansal, Managing Director	
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	 - -	 - -	 - -	 - -
5.	Others, please specify	-	-	-	-
	Total(A)	1,56,00,000	1,20,00,000	120,00,000	3,96,00,000
	Ceiling as per the Act	As provided under Schedule V read with Rule 7 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Act.			

B. Remuneration to other Directors:

1. Independent Directors:

Sl. No.	Particulars of Remuneration	Total Amount				
		Debasish Basu	Sunil Kumar Parik	Rampriya Sharan	Gayatri Singh	
1.	Fee for attending board / committee meetings	95,000	-	11,000	-	1,06,000
2.	Commission	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-
	Total (B)(1)	**95,000**	**-**	**11,000**	**-**	**1,06,000**
	Overall Ceiling as per the Act					

2. Other Non-Executive Directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Fee for attending board / committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (B)(2)	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
	Total Managerial Remuneration (B)= (B)(1)+ (B)(2)						**1,06,000**
	Overall Ceiling as per the Act		N.A. (since the Company does not have any other Non-Executive Directors)				

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Amount		
		Abhishek Agarwal -(Chief Financial Officer)	Arbind Kumar Jain (Company Secretary)	Total
1.	Gross salary (a) Salary as per provisions contained in Section17(1) of the Income Tax Act,1961 (b) Value of perquisites u/s 17(2) of the Income tax Act,1961 (c) Profits in lieu of salary under Section 17(3) of the Income tax Act,1961	 12,02,577 - -	 15,58,443 - -	 27,61,020 - -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	- -	- -	- -
5.	Others, please specify	-	-	-
	Total (C)	**12,02,577**	**15,58,443**	**27,61,020**

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	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. Directors					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. Other Officers In Default					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 30th May, 2019

Ram Gopal Bansal
Chairman
DIN: 00144159

Annexure 'E' to Board's Report

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of remuneration of each director to the median remuneration of employees of the company for the Financial Year 2018-19, Percentage increase in remuneration of Directors, Chief Financial Officer, Company Secretary during the Financial Year 2018-19.

Name of Director / KMP		Designation	Ratio of Remuneration of each Director to the Median remuneration of employees	Percentage increase in Remuneration
Executive Directors				
1.	Mr. Ram Gopal Bansal	Chairman, Whole-time Director	81.21:1	Nil
2.	Mr. Harsh Kumar Bansal	Managing Director	62.47:1	Nil
3.	Mr. Vivek Kumar Bansal	Managing Director	62.47:1	Nil
Non-Executive Directors				
4.	Mr. Debasish Basu*	Non-Executive Independent Director	-	-
5.	Mr. Sunil Kumar Parik*	Non-Executive Independent Director	-	-
6..	Ms. Gayatri Singh*	Non-Executive Independent Director	-	-
7.	Mr. Rampriya Sharan*	Non-Executive Independent Director	-	-
Key Managerial Personnel				
8.	Mr. Abhishek Agarwal	Chief Financial Officer	NA	Nil
9.	Mr. Arbind Kumar Jain	Company Secretary	NA	Nil

*Independent Directors and Non-Executive Directors are only entitled to sitting fees. No other form of remuneration was paid to the non-executive directors during the Financial Year 2018-19.,

ii. The Percentage increase/(decrease) in median remuneration of Employees for the financial year was (2.61)%

iii. The Company has 744 permanent employees on the rolls of the company as on 31st March, 2019.

iv. Relationship between average increase in remuneration and company's performance:

The average increase in remuneration is closely linked to achievement of annual corporate goals, financial and operational performance of the Company and adjustments towards increased cost of living. The reward philosophy of the Company is to provide market competitive reward opportunity that has a strong linkage to and drives performance culture. During the year, similar approach was followed to establish the remuneration increase to the Employees.

v. Comparison of the remuneration of the Key Managerial Personnel (individually & totally) against the performance of the Company:

The compensation for Key Managerial Personnel's is guided by external competitiveness, annual performance review and overall growth of the Company. The KMP's play a pivotal role in the growth of the Company and considering performance of the Company during the year they have been accordingly remunerated.

vi. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year over previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

The Company is listed on the Calcutta Stock Exchange. There has been no trading in the shares of the Company during the Financial Year 2018-2019.

vii. Average percentage increase in the salaries of employees other than managerial personnel in the financial year was 11.70 whereas the average increase in the managerial remuneration was Nil.

The Company has touched new heights due to the continuous efforts of managerial personnel warranting such increase.

viii. The key parameters for any variable component of remuneration:

Apart from the Whole-time Director and Managing Directors, no other Directors are in receipt of any remuneration other than sitting fees for attending Board and Committee Meetings.

ix. The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: N.A.

x. The remuneration paid is as per the remuneration policy of the Company

Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Employee	Ram Gopal Bansal	Harsh Kumar Bansal	Vivek Kumar Bansal
Age	63	40	39
Designation	Whole-Time Director	Managing Director	Managing Director
Nature of employment	Contractual	Contractual	Contractual
Qualification	Commerce Graduate	Commerce Graduate and Advance Management Programme from London Business School	Commerce Graduate
Experience	35	11	17
Remuneration received	Rs. 156 Lakh	Rs.120 Lakh	Rs. 120 Lakh
Date of commencement of employment	21.10.1981	26.12.2006	26.09.2001
Particulars of last Employment	First Employment	First Employment	First Employment
Percentage of equity shares held	15.88%	8.20%	6.23%
Relationship with Director	Mr. Ram Gopal Bansal is the father of Mr. Harsh Kumar Bansal and Mr. Vivek Kumar Bansal.	Mr. Harsh Kumar Bansal is the son of Mr. Ram Gopal Bansal and brother of Mr. Vivek Kumar Bansal.	Mr. Vivek Kumar Bansal is the son of Mr. Ram Gopal Bansal and brother of Mr. Harsh Kumar Bansal.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 30th May, 2019

Ram Gopal Bansal
Chairman
DIN: 00144159

CERTIFICATION IN TERMS OF REGULATION 17 (8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION S, 2015

Date : 30th May, 2019

The Board of Directors
BMW Industries Limited
119, Park Street,
White House, 3rd Floor,
Kolkata – 700 016

We, the undersigned in our respective capacities as Managing Director and Chief Financial Officer of BMW Industries Limited, certify to the Board in terms of Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that we have reviewed the Financial Statements and the Cash Flow Statements of the Company for the year ended 31st March, 2019

1. To the best of our knowledge and belief, we certify that:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that are 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.
   iii. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
2. For the purpose of Financial Reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
3. We have indicated to the Auditors and the Audit Committee:
   a. Significant changes, if any, in the Internal Control over financial reporting during the year.
   b. Significant changes, if any, in the accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
   c. Instances of significant fraud, if any, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For BMW Industries Limited

Subhash Chandra Gupta
Whole time Director
DIN: 00056770

For BMW Industries Limited

Abhishek Agarwal
Chief Financial Officer

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

1	Sl. No.	1	2	3	4	5	6	7	8	9
2	Name of the subsidiary	SAIL Bansal Service Centre Limited	Confident Financial Consultancy Pvt. Ltd.	Nageshwar Trade-Link Pvt. Ltd.	Perfect Investment Consultancy Pvt. Ltd.	Shri Hari Vincom Pvt. Ltd.	Siddhi Vinayak Commosales Pvt. Ltd.	Sidhant Investment Advisory Pvt. Ltd.	Fairplan Vintrade Pvt. Ltd.	Narayan Dealcom Pvt. Ltd.
3	Financial period ended	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019
4	Exchange rate	INR	INR	INR	INR	INR	INR	INR	INR	INR
5	Share capital	800.00	29.30	37.00	30.40	32.90	29.50	49.80	39.40	42.20
6	Reserves and surplus	-619.41	1,423.92	1,762.79	1,445.29	1,569.56	1,395.59	2,391.99	1,892.24	2,019.01
7	Total assets	500.22	2,278.10	1,800.17	1,488.70	1,647.54	1,474.94	2,469.03	1,991.32	2,067.02
8	Total Liabilities	500.22	2,278.10	1,800.17	1,488.70	1,647.54	1,474.94	2,469.03	1,991.32	2,067.02
9	Investments	-	1,059.07	1,800.00	944.98	222.50	270.45	1,220.74	783.84	1,385.70
10	Turnover	303.44	243.33	10.25	60.89	55.99	8.30	15.60	95.11	17.80
11	Profit before taxation	50.68	48.44	0.01	8.22	10.27	0.03	3.09	13.74	1.14
12	Provision for taxation	23.86	12.59	0.00	2.14	2.67	0.01	0.80	3.58	0.30
13	Profit after taxation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Other Comprehensive Income	3.23	-	-	-	-	-	-	-	-
15	Total Comprehensive Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Proposed Dividend	-	-	-	-	-	-	-	-	-
17	Percentage of shareholding	60.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates or Joint Ventures	Nil
1	Latest audited Balance Sheet Date	N.A.
2	Date on which the Associate or Joint Venture was associated or acquired	N.A.
3	Shares of Associate or Joint Ventures held by the company on the year end	
	No.	N.A.
	Amount of Investment in Associates or Joint Venture	N.A.
	Extent of Holding (in percentage)	N.A.
4	Description of how there is significant influence	N.A.
5	Reason why the associate / joint venture is not consolidated	N.A.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.
7	Profit or Loss for the year	
i	Considered in Consolidation	N.A.
ii	Not Considered in Consolidation	N.A.

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Whole time Director
DIN: 00056770

Place: Kolkata
Date: 30th May, 2019

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

BMW Industries Limited believes that for sustained growth and for enhancing shareholders value, sound Corporate Governance is a must. The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. Best results are achieved when the companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. The Company firmly believes that these aspects as well as compliances of applicable legislations and timely disclosures enhance the image of the Company and the long term value of all Shareholders and Stakeholders. However, good corporate governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other.

2. BOARD OF DIRECTORS

Composition of the Board, Attendance Record and Directorship Held

The Company's Board comprises seven Directors, representing the optimum mix of professionalism, knowledge and experience. Four Directors of the current strength of the Board are Independent Directors as on 31st March 2019. The category of Directorship, number of Board Meetings attended, attendance at the last Annual General Meeting (AGM), Directorships in other companies, number of Committees in which such Director is a Chairperson or Member, are mentioned below :-

Sl No	Name of the Director	Category	Attendance		No. of Directorships and Committee Memberships/ Chairmanships (including the Company		
			At Board Meeting	At Last Annual General Meeting	Directorships	Committee Chairmanship	Committee Membership
01	Ram Gopal Bansal (DIN-00144159)	Chairman and Executive Director	09/10	Yes	5	-	-
02	Harsh Kumar Bansal (DIN- 00137014)	Managing Director	10/10	Yes	10		-
03	Vivek Kumar Banal (DIN-00137120)	Managing Director	09/10	Yes	10	-	-
04	Debasish Basu (DIN-00581141)	Independent Director	07/10	Yes	-	1	1
05	Sunil Kumar Parik (DIN-00884149)	Independent Director	09/10	Yes	3	1	1
06	Rampriya Sharan (DIN-05304025)	Independent Director	01/10	No	-	-	-
07	Gayatri Singh (DIN- 07031033)	Independent Director	01/10	No	-	-	-

Notes :

i) Directorships in other companies excludes Directorships in private limited companies, companies incorporated outside India and companies under Section 8 of the Companies Act, 2013 but includes directorships in subsidiaries of public limited companies. Only Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

ii) No Director of the Company was a member of more than ten Committees or Chairperson of more than five Committees across all the Public / Listed companies in which he / she was a Director.

Number of Board Meetings

The Board of Directors met ten times during the financial year ended 31st March, 2019 on 10th April, 2018, 12th May, 2018, 22nd May, 2018, 12th July, 2018, 13th August, 2018, 14th November, 2018, 13th February, 2019, 3rd March, 2019 and 27th March, 2019. All meetings were well attended. The maximum interval between any two meetings was well within the maximum allowed gap of one hundred twenty days.

Role of Company Secretary in overall Governance Process

The Company Secretary plays a vital role in ensuring that Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and the senior management for effective decision-making at the meeting.

Information placed before the Board

The Company sends a detailed agenda folder to each Director with sufficient time before every Board and Committee meetings. All the agenda item are backed by necessary supporting information and documents to enable the Board to take informed decision. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting on the overall performance of the Company. The Board also, inter alia, considers and reviews investment and exposure limits, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, major accounting provisions and write-offs, minutes of meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the

Board level, including the Compliance Officer. The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. In addition to the above, Regulation 17(7) of the SEBI (LODR) Regulations, 2015, the minutes of the Board meetings of your Company's subsidiaries and a statement of all significant transactions and arrangements entered into by the subsidiaries are also placed before the Board.

During the year 2018-19, information as mentioned in Part A of Schedule II of the SEBI (LODR) Regulations, 2015 has been placed before the Board for its consideration.

Code of Conduct

The Board of Director has laid down a Code of Conduct for all the Board Members and Senior executives of the Company. All the Board members and Senior executives have confirmed compliance with the Code. A declaration by Managing Director of the Company affirming the Compliance with the Code is annexed at the end of this Report . The said Code may be referred to at the website of the Company at its weblink i.e. http://www.bmwil.co.in/img/pdfupload/conduct-3923534c7eaf1edb1466c58eb12e8c6955ed1c.pdf

3. COMMITTEES

The Company at present has 5 (Five) Committees of the Board:-

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Corporate Social Responsibility Committee
E. Finance Committee

The terms of reference of these Committees is decided by the Board. Signed minutes of the Committee meetings are placed before the Board for noting. The role and composition including the number of meetings and related attendance are given below.

A. AUDIT COMMITTEE

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Audit Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The Audit Committee comprises the following three Directors, and their attendance in the Committee Meetings is given hereunder:

Sl No	Name of the Director	Position	No. of Meeting(s) attended
01	Sunil Kumar Parik	Chairman	05/05
02	Debasish Basu	Member	05/05
03	Harsh Kumar Bansal	Member	05/05

The terms of reference of the Audit Committee during the year are broadly as under:

a) Review internal control systems, nature and scope of audit as well as post audit discussions;

b) Review quarterly, half-yearly and annual financial statements with particular reference to matters to be included in the Directors' Responsibility Statement to be included in the Board's Report;

c) Evaluation of internal financial control and risk management systems and ensure compliance with internal control systems;

d) Recommend to the Board on any matter relating to financial management, including audit report;

e) Oversee Company's financial reporting process and disclosure of financial information;

f) Recommendation of appointment and remuneration of auditors;

g) Review performance of statutory and internal auditors;

h) Review with the management and monitor the Auditor's independence, performance of Statutory and Internal Auditors and adequacy of the internal control systems and effectiveness of audit process;

i) Approval or any subsequent modification of transactions of the Company with related parties;

j) Valuation of undertakings or assets of the Company wherever necessary;

k) Monitoring the end use of funds raised through public offers and related matters;

l) Oversee the establishment of Vigil Mechanism for Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

The Committee met 5 (five) times during the financial year ended 31st March, 2019 on 22nd May, 2018, 26th May, 2018, 13th August, 2018, 14th November, 2018 and 13th February, 2019. All meetings were well attended.

The Chief Financial Officer and the representatives of the Statutory, Cost and Internal Auditors had been invited to the meetings of the Audit Committee during the year under review. The Company Secretary continues as the Secretary to the Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference and Composition

The Nomination and Remuneration Committee of the Company is constituted in the line with the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprises of following three Directors, and their attendance in the Committee Meetings is given hereunder:

Sl No	Name of the Director	Position	No. of Meeting(s) attended
01	Sunil Kumar Parik	Chairman	02/02
02	Debasish Basu	Member	02/02
03	Rampriya Sharan	Member	00/02

The Nomination and Remuneration Committee shall act in accordance with the prescribed provisions of section 178 of the Companies Act, 2013 and shall be responsible for:-

a) Formulation of the 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;

b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

c) Devising a policy on diversity of Board of Directors;

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and carry out evaluation of every director's performance.

The Chairman of the nomination and remuneration committee was present at the previous Annual General Meeting of the Company, to answer the shareholders' queries.

During the Financial Year ended 31st March, 2019 the nomination and remuneration committee met 2 (two) times on 12th May, 2018 and 14th November, 2018.

The remuneration policy of the Company is also placed on the website of the Company at the link **http://www.bmwil.co.in/img/pdfupload/conduct-5116335e89de53758f12245ef7863cdbacf404.pdf**

Remuneration paid to Directors

The Independent Directors are entitled to sitting fees for attending the Board and Committee meetings. No sitting fee is paid to Mr. Ram Gopal Bansal, Mr. Harsh Kumar Bansal and Mr Vivek Kumar Banal, the Executive Directors of the Company.

Details of the sitting fees paid to Independent Directors during the year ended 31st March, 2019 are as follows: -

Sl No	Name of the Director	Category	Sitting Fees
01	Sunil Kumar Parik	Independent Director	Nil
02	Debasish Basu	Independent Director	Rs. 95,000/-
03	Rampriya Sharan	Independent Director	Rs. 11,000/-
04	Gayatri Singh	Independent Director	Nil

Details of the remuneration paid to Executive Directors during the year ended 31st March, 2019 are as follows: -

Sl No	Name of the Director	Category	Remuneration
01	Ram Gopal Bansal	Executive Director	Rs. 1,56,00,000/-
02	Harsh Kumar Bansal	Executive Director	Rs. 1,20,00,000/-
03	Vivek Kumar Banal	Executive Director	Rs. 1,20,00,000/-

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR), Regulations,2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committee. A structured questionnaire has prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition and Terms of Reference

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted the Stakeholders Relationship and Shareholders Grievance Committee.

The Stakeholders Relationship Committee comprises the following three Directors and their attendance in the Committee Meeting is given hereunder:

Sl No	Name of the Director	Position	No. of Meeting(s) attended
01	Debasish Basu	Chairman	01/02
02	Sunil Kumar Parik	Member	02/02
03	Vivek Kumar Bansal	Member	02/02

The terms of reference of the Committee includes the following:

- transfer/ transmission of shares and such other securities;
- issue of duplicate share certificates for shares and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- monitoring expeditious Redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The Stakeholders Relationship Committee met 2 (two) times during the year on 13th February, 2019 and 29th March, 2019.

The grievances are dealt by the Stakeholders Relationship Committee / Registrar & Share Transfer Agent/ Compliance Officer of the Company. Company has no transfers pending at the close of the financial year.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the CSR Committee under Section 135 of the Companies Act, 2013. The Company has a policy on Corporate Social Responsibility. The policy is also placed on the website of the Company at the link http://www.bmwil.co.in/img/pdfupload/conduct-20686988b18b2c19c7248e9f377a0a2f57f0df.pdf

The CSR Committee comprises the following three Directors, and the Committee met 1 (one) time during the year on 13th February, 2019. Attendance of the Directors in the Committee Meeting is given hereunder:

Sl No	Name of the Director	Position	No. of Meeting(s) attended
01.	Harsh Kumar Bansal	Chairman	01/01
02.	Debasish Basu	Member	01/01
03.	Rampriya Sharan	Member	Nil

E. FINANCE COMMITTEE

Terms of Reference and Composition

The Board has constituted a Finance Committee, inter alia to take care of all the finance matters including availing financial assistance from banks from time to time that may be required in course of business of the Company. This is a non statutory committee.

The Committee comprises the following members, and the Committee met 5 (five) times during the year on 10th April, 2018, 4th July, 2018, 29th September, 2018, 2nd January, 2019 and 11th March, 2019 . Attendance of the Members in the Committee Meeting is given hereunder:

Sl No	Name of the Director	Position	No. of Meeting(s) attended
01	Sunil Kumar Parik	Chairman	05/05
02	Ram Gopal Bansal	Member	05/05
03	Harsh Kumar Bansal	Member	05/05
04	Vivek Kumar Banal	Member	05/05

4. MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors had met once during the year without the presence of the Non-Independent Directors and the Management Team to discharge duties enjoined on them.

5. INDUCTION & TRAINING OF BOARD MEMBERS

To provide insights into the Company's operations, the Company periodically familiarises its Independent Directors through presentations, briefings, meetings, etc. The details of programmes for familiarisation of Independent Directors with the Company, including their duties in the Company and related matters are put up on the website of the Company at the link: http://www.bmwil.co.in/img/pdfupload/conduct-28642895c4575e684e3ef4ca5ad3e0b46e53dc.pdf

6. POLICY ON MATERIAL SUBSIDIARY

Regulation 24 of the SEBI (LODR) Regulations, 2015 defines a "Material Non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. As on 31st March, 2018 the Company has 09 (Nine) subsidiaries, however none of the Companies are considered as material subsidiary . The Company has a policy to determine its material subsidiary. The policy is also placed on the website of the Company at the link http://www.bmwil.co.in/img/pdfupload/conduct-4119894c7eaf1edb1466c58eb12e8c6955ed1c.pdf

7. GENERAL BODY MEETINGS

a. Location and time of the last three Annual General Meetings:

FY	Venue	Date	Time	Particulars of Resolution	Number of Special Resolution Passed
2015-16	119, Park Street, White House, Kolkata – 700 016	29.09.2016	11:00 A.M.	Borrowing any sum / sums of money not exceeding Rs 700 crores pursuant to Sections 180 (1) (c) of the Companies Act, 2013.	1 Special Resolution
2016-17	119, Park Street, White House, Kolkata – 700 016	18.09.2017	11.00 A.M.	Alteration of Memorandum of Association of the Company.	1 Special Resolution
2017-18	119, Park Street, White House, Kolkata – 700 016	27.09.2018	11:00 A.M.	-	No Special Resolution was passed in the meeting.

b. Location and time of the Extra Ordinary General Meeting:

FY	Venue	Date	Time	Particulars of Resolution	Number of Special Resolution Passed
2016-17	119, Park Street, White House, Kolkata – 700 016	07.03.2017	11:00 A.M.	Sub division of each equity shares of Rs. 10 /- into 10 equity shares of Re 1/- each	1 Special Resolution

c. Postal Ballot

No Special Resolution was passed last year through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot.

Resume' and other information on the Directors appointed or reappointed as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice of the Annual General Meeting.

8. DISCLOSURES

a) Related party matters – The Company has not entered into any transactions of material nature with its promoters, directors, the management, subsidiary companies or relatives etc. that have potential conflict with its interest during the year under review. However, the list of related party relationships and transactions as required to be disclosed in accordance with Indian Accounting Standard has been given in Note 40 to the Financial Statements for the year ended 31st March, 2019. As required under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI(LODR) Regulations, 2015], the Company has formulated a Related Party Transactions Policy which has been put up on the website of the Company at weblink: http://www.bmwil.co.in/img/pdfupload/conduct-10029650a3ff8c8cada143431acb4821cc54c7.pdf

b) Details of non-compliance by the Company

No penalties/strictures were imposed on the Company by any regulatory authority for non-compliance of any laws or any matter relating to capital markets during the last three years.

c) Vigil Mechanism/Whistle Blower Policy

The Company believes in promoting ethical behavior and accordingly there is a mechanism for reporting unethical behavior, actual or suspected fraud or violation against the Company's Code of Conduct. The objective of the policy is to provide adequate safeguard measures against victimization. The Company has a Whistle Blower Policy under which the employees are free to report any such grievances to the Nodal Officer appointed for the purpose. In certain circumstances, employees may also report to the Chairman of the Audit Committee. The Policy is also placed on the website of the Company at the link: http://www.bmwil.co.in/img/pdfupload/conduct-726504c7eaf1edb1466c58eb12e8c6955ed1c.pdf

d) Internal Control System

The Internal Control System of the Company is aimed at proper utilisation and safeguarding of the Company's resources and to promote operational efficiency. The findings of the Internal Audit and consequent corrective actions initiated and implemented from time to time are placed before the Audit Committee. The Audit Committee reviews such audit findings and the adequacy of the Internal Control System.

e) Compliance with Regulation 27 of the SEBI (LODR) Regulations, 2015

The Company has complied with the mandatory requirements of the Regulation 27 of the SEBI (LODR) Regulations, 2015. The details of these compliances have been given in the relevant sections of this report. The status on compliance with the Non-mandatory requirements is given at the end of the Report.

f) Reconciliation of Share Capital Audit

A qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and the listed equity share capital. The Audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical forms and the total number of dematerialized shares held with NSDL and CDSL.

g) Accounting treatment in preparation of financial statement

The Company has followed the Guidelines of Indian Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

h) Risk Management

The Company carries a risk management process and the weaknesses if found are communicated to the Audit Committee from time to time. Periodic reviews are made on extent of risk minimization measures adopted to minimize the potential risks.

9. MEANS OF COMMUNICATION

a) The Company intimates unaudited half-yearly and quarterly results after Limited Review by the Statutory Auditors as well as the Audited Annual Results to the Stock Exchanges after they are approved by the Board of Directors;

b) Such results are also published in newspapers having wide circulation in all over India, where the Registered Office of the Company is situate;

c) Results are displayed on Company's website www.bmwil.co.in. Results are also sent to the Calcutta Stock Exchange (CSE) and BSE Ltd. for display on their websites;

d) The document on Management Discussion and Analysis Report forms part of this Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

a. Listing of Shares

The Equity Shares of the Company are listed on:

Name of the Stock Exchange	Stock code
The Calcutta Stock Exchange Ltd (CSE) 7, Lyons Range, Kolkata – 700 001.	12141 – CSE
BSE Ltd., Phiroze Jeebhoy Towers Mumbai – 400 001	542669

b. Market Price Data

The shares of the Company were not traded at the Stock Exchange during the Financial Year 2018-19. Trading in Equity Shares of the Company at BSE Limited has commenced on 15th May, 2019.

c.	Company's registered office	:	119, Park Street, White House, 3rd Floor, Kolkata – 700 016
d.	Address for correspondence of Shares and related matters	:	Mr. Arbind Kumar Jain Company Secretary 119, Park Street, White House, 3rd Floor, Kolkata – 700 016 Tel No. +91 33 4007 1704 Email Id: arbindjain@bmwil.co.in
e.	Registrar and Share Transfer Agent (Physical and Demat mode)	:	ABS Consultant Private Limited Stephen House, Room No. 99 6th Floor, 4, B. B. D. Bagh, Kolkata – 700 001 Tel No. +91 33 2243 0153, +91 33 2220 1043 Email Id: absconsultant@vsnl.net
f.	AGM details		
	Date	:	} As per the Notice calling the Annual General Meeting
	Venue	:	
	Time	:	
g.	Financial Year	:	1st April, 2018 to 31st March, 2019
h.	Book Closure Date	:	As per Notice of AGM
i.	Financial calendar (tentative)		
	Financial reporting for the quarter ending		
	1st quarter ending 30th June, 2019	:	2nd week of August, 2019
	2nd quarter ending 30th September, 2019	:	2nd Week of November, 2019
	3rd quarter ending 31st December, 2019	:	2nd Week of February, 2020
	4th quarter ending 31st March, 2020	:	3rd week of May, 2020
	Annual General Meeting for the year ending 31st March, 2020	:	2nd week of September, 2020
j.	Dividend payment	:	N.A.
k.	Contact person for clarification on Financial Statements	:	Mr. Abhishek Agarwal Chief Financial Officer 119, Park Street, White House, 3rd Floor, Kolkata – 700 016 Tel No. +91 33 4007 1704 Email Id: abhishekagarwal@bmwil.co.in
l.	Transfer of shares	:	During the year, the Company approved transfer request from Shareholders. Stakeholders Relationship Committee and RTA look after the matter.
m.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	:	The Company has not issued any GDRs / ADRs / warrants or any convertible instruments, which is likely to have impact on the Company's equity.
n.	E-mail ID of the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering complaints by investors	:	arbindjain @bmwil.co.in
o.	Plant Location	:	i. Ramdas Oil Mill Compound, Manifit, P.O: Telco, Jamshedpur, Jharkhand. ii. Junglepur, PO: Andul Mouri, NH – 6, Howrah, West Bengal. iii. G. T. Road (N), Ghusuri, Howrah, West Bengal. iv. B-I, Phase-II, Adityapur Industrial Area, Jamshedpur, Jharkhand. v. M-1, Large Sector, Gamharia, Dist – Seraikella - Kharswan, Jamshedpur, Jharkhand.
p.	Payment of Listing Fees	:	Annual listing fee for FY 2019-20 has been paid by the Company to CSE and BSE Limited
q.	Payment of Annual Custody Fees	:	Annual Custodian fee for FY 2018-19 is paid by the Company to NSDL and CDSL within stipulated time.
r.	ISIN	:	INE374E01021

s. Dematerialisation of Shares

Trading in Equity Shares of the Company is permitted in Demat Form. However, no trading in shares has been done during the financial year. In the Current year trading in Equity shares of the Company has commenced at BSE Limited on 15th May, 2019

Details of Shares held in Dematerialised and Physical Form as on 31st March, 2019

Category	No of Shares	% of Shares
Shares held in Dematerialised Form – NSDL	15,77,00,869	70.06
Shares held in Dematerialised Form – CDSL	6,73,27,480	29.91
Shares held in Physical Form	58,111	0.03
Total no of Shares	**22,50,86,460**	**100.00**

t. Distribution of Equity Shareholding as on 31st March, 2019

Particulars	Number of Shareholders	Number of Shares held	Percentage of Shareholding (%)
Up to 500	588	57501	0.03
501 – 1,000	13	13000	0.01
1,001 – 5,000	4	6610	0.00
5,001 – 10,000	-	-	-
10,001 – 50,000	26	1099000	0.49
50,001 – 1,00,000	25	2267000	1.00
1,00,001 and above	54	22,16,43,349	98.47
Total	**710**	**22,50,86,460**	**100**

Pattern of Shareholding as on 31st March, 2019

Category	Number of Shares	Percentage of Shareholding (%)
Promoter's Holding		
- Individuals / HUF	8,30,12,080	36.88
- Bodies Corporate	7,47,30,139	33.20
Non Institutions Body Corporate		
-Individuals	1,09,28,111	4.86
-Bodies Corporate	5,64,16,130	25.06
Total	**22,50,86,460**	**100.00**

11. REQUIREMENTS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with the applicable mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has adopted the following non-mandatory requirements:

(i) The Board:

The Company is headed by the Executive Chairman.

(ii) Shareholder Rights:

The Company is getting its quarterly/half yearly and Annual financial results published in leading newspapers with wide distribution across the country and regularly updates and other important information on its public domain website.

(iii) Audit Qualifications:

There are no audit qualifications on the Company's Financial Statements for the year ended 31st March 2019.

(iv) Separate posts of Chairperson and CEOs:

Mr. Ram Gopal Bansal is the Chairman and Mr. Harsh Kumar Bansal and Mr. Vivek Kumar Bansal are the Managing Directors of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 30th May, 2019

Ram Gopal Bansal
Chairman
DIN: 00144159

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
BMW Industries Limited
White House, 3rd Floor
119 Park Street, Kolkata-700016
West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. BMW Industries Limited having **CIN-L51109WB1981PLC034212** and having registered office at **White House, 3rd Floor, 119 Park Street, Kolkata-700016, West Bengal** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
01.	Ram Gopal Bansal	00144159	21/10/1981
02.	Harsh Kumar Bansal	00137014	26/12/2006
03.	Vivek Kumar Bansal	00137120	26/09/2001
04.	Debasish Basu	00581141	28/08/2002
05.	Sunil Kumar Parik	00884149	15/09/2012
06.	Rampriya Sharan	05304025	15/09/2012
07.	Gayatri Singh	07031033	21/11/2014

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

Signature: S/d-

Name: Sachin Kumar
Membership No.: 37957
CP No.: 14154

Place: Kolkata
Date : 30th May, 2019

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[pursuant to Regulations 17 - 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
BMW Industries Limited
White House, 3rd Floor
119 Park Street, Kolkata-700016
West Bengal

We have examined the compliance of conditions of Corporate Governance by **M/s. BMW Industries Limited** having **CIN-L51109WB1981PLC034212** and having registered office at **White House, 3rd Floor, 119 Park Street, Kolkata-700016, West Bengal** (hereinafter referred to as 'the Company'), for the year ended 31st March, 2019, as stipulated in Regulations 17–27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the 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 Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by The Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Signature: S/d-

Name: Sachin Kumar
Membership No.: 37957
CP No.: 14154

Place: Kolkata
Date : 30th May, 2019

CODE OF CONDUCT

30th May, 2019

The Board of Directors
BMW Industries Limited
119, Park Street,
White House, 3rd Floor,
Kolkata – 700 016

Dear Sirs,

I, Ram Gopal Bansal, Wole-Time Director of BMW Industries Limited hereby confirm that all Board Members and Senior Management Team have affirmed compliance with the "Code of Conduct for Directors and Senior Executives of the Company" for the year ended 31st March, 2019.

Thanking you,

Yours sincerely,

For BMW Industries Limited

Ram Gopal Bansal
Whole Time Director
DIN: 00144159

Independent Auditors' Report

To the Members
of BMW INDUSTRIES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Financial Statements of BMW Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 Standalone Financial Statements, including a summary of significant accounting policies and Other Explanatory Notes for the year ended on that date (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis For Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

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

Key audit Matters	Addressing the Key Audit Matters
Trade Receivables Gross Trade Receivable of the Company is Rs.19,439.77 Lakhs as on 31st March 2019. This includes significant amounts, which have fallen due for payment and are lying outstanding for a considerable period of time. (Note No. 8 of the Standalone Financial Statements) The increasing challenges over the economy and operating environment in the steel industry have increased the risks of default against receivables from the customers. The Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations. The recoverable amount was estimated by management based on recoverability assessment of recoverability on case to case basis and required significant audit attention. The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables, credit worthiness of the parties and historical write-off experience.	Our audit procedures based on which we arrived at the conclusion regarding the carrying amount of Trade Receivables include the following: • We obtained an understanding from the Management, assessed and tested the design and operating effectiveness of the Company's key controls over the recoveries against the outstanding amounts and resultant impairment assessment of material Trade Receivables; • We reviewed Management's assessment and evaluation on the credit worthiness of the major trade receivables and historical trends and current dealing with the customers; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment keeping in view the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any provision should be made; • Tested settlement of trade receivables subsequent to the balance sheet date on a sample basis; and • We further discussed with the Management the adequacy of the allowance for impairment as recognised and reviewed the supporting documents provided in relation to the same.

Key audit Matters	Addressing the Key Audit Matters
Inventory determination and Valuation As at 31st March 2019, the Company has Rs.21,089.53 Lakhs of Inventories (Note No. 7 of the Standalone Financial Statements). Given the size of the Inventory relative to the total assets of the Company and the estimates and judgements described below, the determination and valuation of Inventory required significant audit attention. Given the nature of Industry and volume of inventory and physical verification being undertaken in phases not covering all the locations, determination thereof in absence of specific identification, batches etc has largely been arrived on theoretical basis considering cross-sectional weight including for the locations not covered for verifications. Moreover, certain materials are lying in heaps and / or are suspectable to obsolescence and deterioration in quality. All these requires specific procedures based on technical experience for arriving at the ground stock of usable / saleable inventory. The result of these procedures may not always be accurate and involves significant management judgement and estimation. As disclosed in Note 1(C) (k), Inventories are held at lower of cost or Net Realizable Value determined using the First in First Out/ Weighted Average cost method. At year end, valuation of Inventories is reviewed by the management and the cost of Inventory is reduced in cases where the Net Realizable value is lower. Management reviews the Ageing reports together with historical trends to estimate the likely future saleability of slow moving and older inventory items and performed a line-by-line analysis to ensure that it is stated at the lower of cost or net realizable value.	Our audit procedures based on which we arrived at the conclusion regarding the carrying amount of Inventories include the following: • Witnessed the year end Physical Verification carried at production units by the management and physically verified the sample drawn for this purpose. • Reviewed the procedures and documentation with respect to the verification carried out by the management • Obtained the reports of the verification carried during the year at different locations by the independent agencies and reviewed the outcome thereof. • Reviewed the ageing report used by the management by agreeing a sample of aged inventory items; • On a sample basis we verified the net realizable value of inventory items to recent realizable value; and • enquiring management personnel, including those outside of finance function were made, and the results of our testing as given above were considered to determine the inventory and the valuation thereof.

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 the Board's Report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

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

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

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

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

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

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 Act, 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 Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2019 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 with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements; and

g) 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, as amended 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 standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

    III. With respect to the reporting under Section 197 (16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the Remuneration (including Sitting fees) paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E

H K Verma
Partner
Membership No: 055104

Place: Kolkata
Date: May 30, 2019

Annexure "A" to the Independent Auditor's Report

The Statement referred to in paragraph (i) with the heading 'Report on other legal and regulatory requirements' of our Report of even date to the members of BMW Industries Limited on the Standalone financial statements of the Company for the year ended 31st March 2019, we report that:

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The fixed assets of the Company were physically verified by the management in accordance with a regular programme of verification in a phased manner over a period of three years which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. Based on verification of title deeds/lease deeds produced to us by the management and according to the information and explanations given to us, in our opinion, the title deeds/lease deeds of immovable properties are held in the name of the company.

ii) As explained to us, inventories except scrap have been physically verified during the year at reasonable intervals by the management and also by independent agencies undertaking such verifications. As far as ascertained, discrepancies noticed on verification between the physical stocks and the book records were not material and the same has been properly dealt with in the books of account.

iii) According to the information and explanations given to us, the Company has granted unsecured loans to subsidiary companies which are covered in the register maintained under Section 189 of the Act.

In respect of the loans so granted by the Company, there were no stipulations with respect to repayment of principal amount. As stated, these are repayable on demand. Loan given to one of the subsidiary being strategic in nature and to provide the financial support to the subsidiary company, interest has been waived during the year.

As informed to us, having regard to above, there are no overdue amounts outstanding in respect of such loans and interest thereon where applicable and the terms and conditions thereof as such, prima facie, are not prejudicial to the interest of the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v) The Company has not accepted any deposits. Consequently, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company.

vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, Goods and Services tax, customs duty, excise duty, value added tax, cess and any other material statutory dues as applicable to it with the appropriate authorities. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on March 31, 2019 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, the details of disputed dues of income tax, sales tax, service tax, custom duty, excise duty and Value added Tax as at March 31, 2019, not deposited on account of any dispute are as follows:

Name of the statue	Nature of dues	Rupees in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demands	163.55	F.Y. 2012 – 2013	Commissioner of income tax (Appeals)
Income Tax Act, 1961	Income Tax Demands	14.79	F.Y. 2013 – 2014	Commissioner of income tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	115.52	F.Y. 2012-2013	Joint Commissioner of Commercial Taxes (Appeals)

viii) In our opinion and on the basis of information and explanations given to us by the management, the Company has not defaulted in repayment of dues to banks and others. As explained, the company does not have any loan or borrowings from any financial institution, governments or any dues to debenture holders.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.

x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud by the Company or on the Company by its officers or employees nor have we been informed of any such cases by the management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of 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 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 of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

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) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E

H K Verma
Partner
Membership No: 055104

Place: Kolkata
Date: May 30, 2019

Annexure "B" to the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to the Standalone financial statements of BMW Industries Limited ("the Company") as at March 31, 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. 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 control with reference to Standalone financial statements were 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 with reference to Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of such internal financial controls with reference to Standalone financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to Standalone financial statements, 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 with reference to Standalone financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at March 31, 2019, based on the internal financial controls with reference to Standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E

H K Verma
Partner
Membership No: 055104

Place: Kolkata
Date: May 30, 2019

Standalone Balance Sheet as at 31st March, 2019

(Rs. in Lakhs)

	Notes No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	2	47,970.66	51,268.75
(b) Capital Work-in-progress		2,288.32	2,147.67
(c) Intangible Assets	3	3.29	6.46
(d) Financial Assets		-	-
i) Investments	4	665.69	665.69
ii) Other Financial Assets	5	770.69	323.56
(e) Other Non-current assets	6	2,086.65	1,939.36
Total Non-current Assets		**53,785.30**	**56,351.49**
Current Assets			
(a) Inventories	7	21,089.53	22,523.77
(b) Financial Assets			
(i) Trade receivables	8	19,439.77	20,895.16
(ii) Cash and cash equivalents	9	262.80	50.83
(iii) Other Bank balances	10	874.37	961.41
(iv) Loans	11	313.15	124.33
(v) Others	12	134.42	90.00
(c) Other current assets	13	8,049.02	4,824.46
Total Current Assets		**50,163.06**	**49,469.96**
Assets Classified as held for sale	14	**305.22**	**305.22**
Total Assets		**1,04,253.58**	**1,06,126.67**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	2,250.86	2,250.86
(b) Other Equity	16	49,875.54	45,814.10
Total Equity		**52,126.40**	**48,064.96**
Non-current Liabilities			
(a) Financial Liabilities			
i) Borrowings	17	7,683.53	15,205.31
ii) Other Financial Liabilities	18	1,270.15	-
(b) Provisions	19	216.22	223.59
(c) Deferred Tax Liabilities (Net)	20	5,212.20	4,332.74
(d) Other Non-Current Liabilities	21	1,696.07	2,644.13
Total Non-current Liabilities		**16,078.17**	**22,405.77**
Current liabilities			
(a) Financial Liabilities			
i) Borrowings	22	23,532.50	22,241.66
ii) Trade Payables	23		
- Total outstanding dues to Micro and Small Enterprise		-	-
- Total outstanding dues to creditors other than Micro and Small Enterprise		3,092.14	6,329.14
iii) Other Financial Liabilities	24	7,277.09	6,055.27
(b) Other current liabilities	25	1,708.29	524.42
(c) Provisions	26	6.43	18.15
(d) Current Tax Liability (Net)	27	432.56	487.30
Total Current liabilities		**36,049.01**	**35,655.94**
Total liabilities		**52,127.18**	**58,061.71**
Total Equity and Liabilities		**1,04,253.58**	**1,06,126.67**

Accompanying Notes on Financial Statements 1 - 45

These notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

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

(Rs. in Lakhs)

Sl No.	Particulars	Notes No.	For the year ended 31.03.2019	For the year ended 31.03.2018
I	Revenue from operations	28	82,257.60	94,468.44
II	Other Income	29	2,446.39	1,550.97
III	**Total Income (I + II)**		**84,703.99**	**96,019.41**
IV	EXPENSES			
	(a) Cost of materials consumed	30	47,183.58	55,004.67
	(b) Purchases of Stock in Trade		294.17	7,172.65
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	31	202.48	(1,862.23)
	(d) Employee benefits expense	32	2,596.77	2,371.14
	(e) Finance costs	33	5,626.93	4,657.05
	(f) Depreciation and amortisation expenses	34	4,623.60	4,758.96
	(g) Other expenses	35	17,843.98	16,752.11
	Total Expenses (IV)		**78,371.51**	**88,854.35**
V	Profit before tax (III - IV)		**6,332.48**	**7,165.06**
VI	Tax Expense			
	(1) Current tax		1,364.57	2,070.91
	(2) Deferred tax- Charge/(Credit)	20	869.94	(19.28)
			2,234.51	**2,051.63**
VII	Profit for the year (V-VI)		**4,097.97**	**5,113.43**
VIII	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	- Remeasurement gains / (losses) on defined benefit plans		27.25	48.88
	- Income tax relating to items that will not be reclassified to profit or loss	36.3	(9.52)	(16.92)
	Other Comprehensive Income for the year (net of tax)	36.4	**17.73**	**31.96**
IX	Total comprehensive income for the year comprising profit and other comprehensive income for the year (VII + VIII)		**4,115.70**	**5,145.39**
X	Earnings per Equity share (par value Re 1 each):			
	(1) Basic (Rs.)	39	1.82	2.27
	(2) Diluted (Rs.)	39	1.82	2.27

Accompanying Notes on Financial Statements 1 - 45

These notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

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

(Rs. in Lakhs)

Particulars	31st March, 2019		31st March, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		6,332.48		7,165.06
ADJUSTMENTS FOR -				
Depreciation and Amortisation	4,623.60		4,758.96	
Finance Costs	5,626.93		4,657.05	
Liabilities no longer required written back	(233.14)		(301.40)	
Interest Income	(2,000.23)		(500.44)	
Profit on sale of Property, Plant and Equipment	(134.95)		(552.04)	
Loss on Fair Valuation of Financial Instruments	-		12.72	
		7,882.21		8,074.85
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		14,214.69		15,239.91
ADJUSTMENTS FOR -				
Trade and other receivables	1,455.38		(2,766.51)	
Inventories	1,434.24		(4,599.19)	
Loans and Advances	(3,998.06)		(2,131.68)	
Trade Payable and Other Liabilities	(861.39)		3,741.81	
		(1,969.83)		(5,755.57)
Other Non Current Assets	-		-	
CASH GENERATED FROM OPERATIONS		12,244.86		9,484.34
Direct Taxes Paid		(1,419.32)		(873.22)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		10,825.54		8,611.12
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Property, Plant and Equipments	(1,722.46)		(858.00)	
Sale of Property, Plant and Equipments	176.63		667.21	
Interest Income	2,000.23		500.44	
Deposit with Banks Original maturity with more than 3 months	(2.23)		(357.14)	
Unsecured Loan / Advance given to a Subsidiary	252.89		355.37	
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		705.06		307.88
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest Paid	(5,626.93)		(4,657.05)	
Proceeds/ (Repayment) from Short Term Borrowings from Bank (Net)	1,290.84		(401.34)	
Repayment of Long Term Borrowings from Banks	(4,634.17)		(4,491.35)	
Proceeds of Long Term Borrowings from Banks	-		42.76	
Repayment of Long Term Borrowings from Others	(416.01)		(500.02)	
Proceeds of Long Term Borrowings from Others	-		45.22	
Repayment of Long Term Borrowings from Bodies Corporate	(1,878.09)		(105.83)	
Proceeds of Long Term Borrowings from Bodies Corporate	-		1,081.23	
Payment of Dividend including Taxes	(54.27)		(27.09)	
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		(11,318.63)		(9,013.47)
NET INCREASE/(DECREASE) IN CASH and CASH EQUIVALENTS (A+B+C)		211.97		(94.47)
Cash and Cash Equivalents as at the beginning of the year - Refer Note No. 9		50.83		145.30
Cash and Cash Equivalents as at the end of the year - Refer Note No. 9		262.80		50.83

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

Note:

1. Cash and Cash Equivalents consists of cash on hand and Bank balances in Current Account, Dividend Account and Short Term Deposits with original maturity of less than three months. The details of cash and cash equivalents as per Note 9 of the Standalone Balance Sheet is as under:

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
In current account	40.11	40.08
In Dividend account	0.07	8.28
In Fixed Deposits (having original maturity of less than 3 months)	19.83	-
Cheques on Hand	200.94	-
Cash on hand	1.85	2.47
Total cash and cash equivalents	**262.80**	**50.83**

2. Changes in Liabilities arising from Financing activities

(Rs. in Lakhs)

Particulars	As at March 31, 2018	Proceeds raised/ Adjustments	Repayment/ Adjustments	As at March 31, 2019
Long Term Borrowings				
- From Bank	16,488.88	-	(4,634.17)	11,854.71
- From others	470.50	-	(416.01)	54.49
- From bodies corporate	3,588.39	-	(1,878.09)	1,710.29
Short Term Borrowings				
- From Bank	22,241.66	1,290.84	-	23,532.50
Total	**42,789.43**	**1,290.84**	**(6,928.28)**	**37,151.99**

3. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

4. The Company has incurred Rs.111.99 lakhs on account of Corporate Social Responsibility (CSR) Expenditure during the year ended March 31, 2019 (Previous year Rs.81.83 lakhs)

Accompanying Notes on Financial Statements 1 - 45

These notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

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

(a) Equity Share Capital

Particulars	Rupees in Lakhs
Balance as at March 31, 2017	2,250.86
Changes during the year	-
Balance As at March 31, 2018	2,250.86
Changes during the year	-
Balance as at March 31, 2019	2,250.86

(b) Other Equity (Rs. in Lakhs)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 31st March 2017	**15.00**	**16,682.97**	**2,207.29**	**21,373.37**	**40,278.63**
Payment of dividends	-	-	-	(22.51)	(22.51)
Tax on dividends	-	-	-	(4.58)	(4.58)
Profit for the year	-	-	-	5113.43	5,113.43
Other Comprehensive Income for the year arising from Re-measurement of defined benefit obligation (net of income tax)	-	-	-	31.96	31.96
Forfeiture of Warrants convertible to Equity Shares	417.17	-	-	-	417.17
Balance As at 31st March 2018	**432.17**	**16,682.97**	**2,207.29**	**26,491.67**	**45,814.10**
Payment of dividends	-	-	-	(45.01)	(45.01)
Tax on dividends	-	-		(9.25)	(9.25)
Profit for the year	-	-	-	4,097.97	4,097.97
Other Comprehensive Income for the year arising from Re-measurement of defined benefit obligation (net of income tax)	-	-	-	17.73	17.73
Balance As at 31st March 2019	**432.17**	**16,682.97**	**2,207.29**	**30,553.11**	**49,875.54**

Refer Note No. 16 for nature and purpose of reserves

Accompanying Notes on Financial Statements 1 - 45

These notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
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DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

Notes to the Standalone Financial Statements

Note 1

A. Corporate Information

BMW Industries Limited ('the Company'), a public limited company, is incorporated at Kolkata, in the State of West Bengal. The corporate office as well as registered office of the Company is situated at 119 Park Street, White House, 3rd Floor, Kolkata, West Bengal- 700016. The Company is primarily engaged into manufacturing, processing and selling of steel products comprising of engineering and other products and services and activities related to the same. The Company's shares are listed on The Calcutta Stock Exchange Limited (CSE) and The Bombay Stock Exchange Limited (BSE).

The Standalone financial statements for the year ended March 31, 2019 were approved for issue by the Board of Directors of the company on May 30, 2019 and are subject to the adoption by the Shareholders in the ensuing Annual General Meeting.

B. Statement of Compliance and Recent Accounting Pronouncements

i) Statement of Compliance

These Standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 to the extent notified and applicable.

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

ii) Application of new and revised standards

(i) Ind AS 115- Revenue from Contracts with Customers: With effect from 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up method.

(ii) Appendix B to Ind AS 21- "Foreign Currency Transactions and Advance Consideration and Ind AS 12- Income Taxes have been revised with effect from 1st April, 2018.

The application of Ind AS 115 and revisions/amendments in other standards do not have any material impact on the financial statements.

iii) Recent Pronouncements

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, Leases and Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', which are applicable with effect from financial period ending on or after April 1, 2019.

Standards issued but not yet effective:

Ind AS 116 - Leases

Ind AS 116 will affect the accounting of lessees primarily by removing the current distinction between operating and finance leases. This requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals over the period all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the expense in the earlier years of a lease is expected to be higher.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements.

Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'

The appendix explains the recognition and measurement of deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements.

C. Significant Accounting Policies

a. Basis of Preparation

The Standalone Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Notes to the Standalone Financial Statements

The functional currency of the company is determined as the currency of the primary economic environment in which it operates. The Financial Statements are presented in Indian Rupees and values are rounded off to the nearest two decimal lakhs except otherwise stated.

b. **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

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

(b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

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

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

c. **Property Plant and Equipment (PPE)**

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Interest on Borrowings utilised to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be used for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and attributable borrowing cost. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

Depreciation and Amortization

Depreciation on Property, Plant and Equipment commences when the assets are ready for their intended use.

Depreciation on Property, Plant and Equipment is provided as per the useful life specified under Schedule II of the Companies Act, 2013 on Straight Line Method. Subsequent additions to the cost of Property, Plant and Equipment are depreciated over the remaining life of mother asset.

No depreciation is charged on Freehold land.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the estimated useful lives of assets for the current period are as follows:

Category	Useful Life in years
Buildings	30
Plant and Equipment	3-30
Furniture and fixtures	3-20
Vehicles	6-15
Computer	3-15

Notes to the Standalone Financial Statements

The residual value of an item of Property, Plant and Equipment has been kept at 5 percent or less of the cost of the respective assets.

Depreciation methods, Useful lives and Residual values are reviewed and adjusted as appropriate, at each reporting date.

d. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages are amortized over a period of 5 years on a straight line basis.

Amortization methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

e. De-recognition of Tangible and Intangible assets

An item of Property, Plant and Equipment and Intangible assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

f. Non-current assets held for sale

Non current asset or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

g. Investments in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

h. Leases

Leases are classified as finance leases whenever in terms of the lease, substantially all the risks and rewards incidental to the ownership of an asset to the Company are transferred to the lessee. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Any initial direct costs of the lessee are added to the amount recognised as an asset. Each lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to achieve a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

i. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

j. Financial Instruments - Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Notes to the Standalone Financial Statements

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (referred to as "FVTPL") or at Fair Value Through Other Comprehensive Income (referred to as "FVTOCI") depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

1) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash and cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

2) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets 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 are measured at amortised cost.

The Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortised cost using Effective Interest Rate (referred to as "EIR") method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3) Financial Asset or Financial Liabilities at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

4) Financial Assets or Financial Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

5) Impairment of financial assets

The Company evaluates whether there is any objective evidence that financial assets measured at amortise costs including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the parties to make required payments. The Company bases the estimates on the ageing of the receivables, credit-worthiness of the receivables and historical write-off experience and variation in the credit risk on year to year basis.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses where maximum contractual period is considered over which the Company is exposed to credit risks.

Notes to the Standalone Financial Statements

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortised costs are deducted from the gross carrying amount of the assets.

6) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

7) Derivative financial instruments and hedging activities

The company enters into derivative financial instruments being foreign exchange forward to mitigate the risk of changes in foreign exchange rates in respect of financial instruments. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognized in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Statement of profit and loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss.

When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

k. Inventories

Inventories are valued at lower of the cost or estimated net realisable value.

The cost in respect of raw materials is determined on First in First out basis (FIFO) and in respect of Finished Goods and Stores and Spares determined on Weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials and stores and spares includes the taxes other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of Finished goods represents prime cost and appropriate portion of overheads.

Stock of Work in Progress includes conversion or processing costs of material pending completion and delivery to the customer.

By-product and scrap is valued at net realisable value.

l. Foreign Currency Transactions

1) Presentation Currency

The Standalone financial statements are presented in Indian Rupees (Rs.), the National Currency of India, which is the functional currency of the Company.

2) Transactions and Balances

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

m. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

n. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the Standalone financial statements 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 when there is 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 same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Standalone Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

o. Employee Benefits

Short Term Employee benefits: They are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Defined Contribution Plan: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme the Central Government at a determined rate. The Company's contribution is charged off to the Statement of Profit and Loss.

Defined benefit Plan: Employee benefits under defined benefit plans are recognised based on the present value of the defined benefit obligation determined by actuarial valuation techniques using the projected unit credit method at the close of each year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not reclassified to the statement of Profit and Loss in subsequent periods. Other costs are recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non current are done based on actuarial valuation report.

p. Revenue Recognition

1. Revenue from Operations

Revenue is measured based on the considerations specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and /or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discounts and rebates collected, if any, are deducted there from sales.

2. Other Income

Interest, Dividend and Claims:

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Revenue in respect of claims of insurance, etc. are recognized only when there is reasonable certainty as to the ultimate collection.

q. Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily

Notes to the Standalone Financial Statements

takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

r. Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to Statement of Profit and Loss Account under "Other Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise to acquire non current assets are recognized as Deferred Income and disclosed under Non Current Liabilities and transferred to Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.

s. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

t. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

u. Segment Reporting

The Company has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

D. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Standalone financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Standalone financial statements and reported amounts of revenues and expenses during the period. 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. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the Standalone financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

a. Arrangements containing leases and classification of leases

The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Notes to the Standalone Financial Statements

b. Depreciation / amortization of and impairment loss on property, plant and equipment / intangible assets.

Property, plant and equipment are depreciated and intangible assets are amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units' (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre–tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change in such expenses in future periods.

c. Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

d. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

e. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

f. Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to the Standalone Financial Statements

2. Property Plant and Equipment

(Rs. in Lakhs)

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total
(A) Gross Carrying Amount						
As at March 31, 2017	846.85	6,610.07	48,779.88	236.71	1,837.22	58,310.73
Additions	105.26	174.46	2,090.91	80.04	151.94	2,602.61
Disposal / Adjustments	-	-	-647.74	-3.80	-12.03	-663.57
Other Adjustments	-	-43.56	528.91	-	-	485.35
As at March 31, 2018	952.11	6,740.97	50,751.96	312.95	1,977.13	60,735.12
Additions	-	720.02	566.74	13.43	60.08	1,360.27
Disposal / Adjustments	-	-	-50.29	-	-10.68	-60.97
As at March 31, 2019	952.11	7,460.99	51,268.41	326.38	2,026.53	62,034.42
(B) Accumulated Depreciation						
As at March 31, 2017	-	271.16	3,651.78	40.10	317.09	4,280.13
Charge for the period	-	270.68	4,117.09	39.29	325.44	4,752.50
Disposal / Adjustments	-	-	-69.42	-	-	-69.42
Other Adjustments	-	-	503.48	-0.32	-	503.16
As at March 31, 2018	-	541.84	8,202.93	79.07	642.53	9,466.37
Charge for the period		305.45	3,942.98	42.77	325.48	4,616.68
Disposal / Adjustments	-	-	-11.33	-	-7.96	-19.29
As at March 31, 2019	-	847.29	12,134.58	121.84	960.05	14,063.76
(C) Net Carrying Amount (A-B)						
As at March 31, 2018	952.11	6,199.13	42,549.03	233.88	1,334.60	51,268.75
As at March 31, 2019	952.11	6,613.70	39,133.83	204.54	1,066.48	47,970.66

Notes:

2.1 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Property, Plant and Equipment against borrowings.

3. Intangible Assets

(Rs. in Lakhs)

	Computer Software
(A) Gross Carrying Amount	
As at March 31, 2017	19.39
Additions	-
Disposal	-
As at March 31, 2018	19.39
Additions	3.75
Disposal	-
As at March 31, 2019	23.14
(B) Accumulated Amortisation	
As at March 31, 2017	6.47
Charge for the period	6.46
As at March 31, 2018	12.93
Charge for the period	6.92
As at March 31, 2019	19.85
(C) Net Carrying Amount (A-B)	
As at March 31, 2018	6.46
As at March 31, 2019	3.29

Notes to the Standalone Financial Statements

4 Non Current Investments

(Rs. in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	Amount	No. of Shares	Amount
Measured at Cost, Unquoted				
Investments in equity Instruments of Subsidiaries				
Sail Bansal Service Centre Limited (Face Value Rs.10 each)	48,00,000	480.00	48,00,000	480.00
Confident Financial Consultancy Private Limited (Face Value Rs.10 each)	2,93,000	17.40	2,93,000	17.40
Perfect Investment Consultancy Private Limited (Face Value Rs.10 each)	3,04,000	19.54	3,04,000	19.54
Sidhant Investment Advisory Private Limited (Face Value Rs.10 each)	4,98,000	32.64	4,98,000	32.64
Sidhi Vinayak Comosales Private Limited (Face Value Rs.10 each)	2,95,000	18.66	2,95,000	18.66
Shri Hari Vincom Private Limited (Face Value Rs.10 each)	3,29,000	21.81	3,29,000	21.81
Narayana Dealcom Private Limited (Face Value Rs.10 each)	4,22,000	26.79	4,22,000	26.79
Fairplan Vintrade Private Limited (Face Value Rs.10 each)	3,94,000	25.39	3,94,000	25.39
Nageshwara Tradelink Private Limited (Face Value Rs.10 each)	3,70,000	23.46	3,70,000	23.46
		665.69		**665.69**
4.1 Aggregate amount of unquoted investments		**665.69**		**665.69**

4.2 Details of Subsidiaries in accordance with Ind AS 112 "Disclosure of interests in other entities":

Name of subsidiary	Principal activity	Proportion of ownership interest/voting rights held by the Company	Proportion of ownership interest/ voting rights held by the Company	
			As at 31.03.2019	As at 31.03.2018
Sail Bansal Service Centre Limited	Manufacturing	India	60.00%	60.00%
Confident Financial Consultancy Private Limited	Investment	India	100.00%	100.00%
Perfect Investment Consultancy Private Limited	Investment	India	100.00%	100.00%
Sidhant Investment Advisory Private Limited	Investment	India	100.00%	100.00%
Sidhi Vinayak Comosales Private Limited	Investment	India	100.00%	100.00%
Shri Hari Vincom Private Limited	Investment	India	100.00%	100.00%
Narayana Dealcom Private Limited	Investment	India	100.00%	100.00%
Fairplan Vintrade Private Limited	Investment	India	100.00%	100.00%
Nageshwara Tradelink Private Limited	Investment	India	100.00%	100.00%

4.3 Particulars of Investments as required in terms of Section 186(4) of the Companies Act, 2013, have been disclosed under Note No. 4 Above

5 Other Financial Assets- Non Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At amortised cost			
(a) Security Deposits		521.37	73.51
(b) Fixed Deposit with Bank (having maturity more than 12 months)	5.1	159.32	70.05
(c) Grant Receivable	5.2	90.00	180.00
		770.69	**323.56**

Notes:

5.1 Kept as lien against Bank Guarantee and letter of Credit

5.2 Nature and Extent of Grant

Represents grant of Rs.450 Lakhs approved on 29th October 2015 for investment in Plant and Machinary in Jamshedpur under capital promotion incentive scheme. As per the terms of the scheme, 20% of the grant amount will be received by the company for 5 years starting from 2016-2017.

There are no unfulfilled conditions and other contingencies attaching to government assistance.

6 Other Non Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Capital Advance		1,897.54	1,679.74
(b) Prepayments		188.42	231.40
(c) Deferred Loss on fair valuation of Financial instruments		0.69	28.22
		2,086.65	**1,939.36**

Notes to the Standalone Financial Statements

7 Inventories (Valued at lower of cost or Net realisable Value)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Raw materials		9,477.13	11,175.81
(b) Finished goods		6,424.26	6,726.18
(c) Work in Progress		2,971.80	2,872.36
(d) Stores and Spares		2,216.34	1,749.42
		21,089.53	**22,523.77**

Notes:

7.1 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Inventories against borrowings.

7.2 Cost of Inventory recognised as expense during the year amounted to Rs.65,628.97 Lakhs (March 31, 2018- Rs.78,442.44 Lakhs)

8 Current - Trade Receivables

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Trade Receivables-Unsecured		19,439.77	20,895.16
		19,439.77	**20,895.16**

Notes:

8.1 Trade Receivables are non interest bearing and are generally on credit terms of 30 to 90 days. The ageing of Trade Receivables are as follows:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Within the credit period		13,658.10	20,083.17
1-180 days past due		500.82	194.75
More than 180 days past due		5,280.85	617.24
Total		**19,439.77**	**20,895.16**

8.2 Refer Note No. 17.1 and 22.1 to standalone financial statement in respect of charge created on Trade Receivable against borrowings.

8.3 The company has reviewed its account receivable based on the financial condition of the customer after considering the current economic environment on case to case basis.Based on such review,there does not exist such circumstances requiring any impairment in these Standalone Financial Statements.

The concentration of credit risks in respect of manufactured goods sold is limited due to customer base being backed by large number of unrelated parties. In respect of services provided, the Company's significant revenues are derived from one customer which is a well established public limited company in India and therefore concentration of credit risk is limited.

9 Cash and cash equivalents

(As certified by the management)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Balances with banks			
In Current accounts		40.11	40.08
in Fixed Deposit (having original maturity of less than 3 months)	9.1	19.83	-
in dividend account	9.2	0.07	8.28
(b) Cheques on hand		200.94	-
(c) Cash on hand		1.85	2.47
		262.80	**50.83**

Note:

9.1 Kept as lien against Bank Guarantee and letter of Credit, etc.

9.2 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

10 Other Bank balances

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Fixed Deposit with Bank (having original maturity of more than 3 months and less than 12 Months)	10.1	874.37	961.41
		874.37	**961.41**

Notes to the Standalone Financial Statements

10 Other Bank balances *(contd.)*

Notes:

10.1 Includes amount kept as lien Against:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Bank Guarantee/Letter of credit		464.18	576.04
Borrowing		410.19	385.37
		874.37	**961.41**

11 Loans

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Loans to employees		109.85	124.33
(b) Loans to bodies corporate	11.1	203.30	-
		313.15	**124.33**

Notes:

11.1 Details of Loan to Bodies Corporate under Section 186 (4) of the Companies Act 2013

(Rs. in Lakhs)

Name of the Bodies Corporate	Purpose of Loan	As at 31.03.2019	As at 31.03.2018
Vikram Financial Services Limited	General Corporate Loan	150.00	-
Sansar Vyapar Private Limited	General Corporate Loan	53.30	-

11.2 The above Loan carries Interest varying from 9% to 14% per annum.

12 Other Financial Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Security Deposit		37.88	-
(b) Grant Receivable	5.2	92.00	90.00
(c) Interest accured on Deposits		4.54	-
		134.42	**90.00**

13 Other Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Advances other than Capital advances			
(a) Advances against goods and services		7,681.35	4,051.19
(b) Advance to related parties	13.1 and 13.2	293.10	545.99
(c) Balances with government authorities		5.00	184.21
(d) Prepaid expenses		40.76	13.56
(e) Prepayments		27.94	27.94
(f) Deferred Loss on fair valuation of Financial instrument		0.87	1.57
		8,049.02	**4,824.46**

Notes:

13.1 Represent Loan receivable from subsidiary which is repayable on demand. However considering that the loan so given is strategic in nature and to provide Financial Support to the subsidiary, Interest has been waived and has therefore not been accrued in these accounts.

13.2 Disclosure pursuant to Regulation 34(3) of the Securities Exchange Board of India (SEBI) (Listing Obligations and disclosure requirements) Regulations, 2015.

(Rs. in Lakhs)

Loans and Advances in the nature of loan to Subsidiaries	Amount Outstanding as at March 31, 2019	Maximum Amount Outstanding during the year ended 2018-19	Amount Outstanding as at March 31, 2018	Maximum Amount Outstanding during the year ended 2017-18
Bansal Nepal Private Limited	-	221.11	221.11	221.11
Sail Bansal Service Centre Limited	293.10	354.10	324.88	644.86

Notes to the Standalone Financial Statements

14 Assets classified as held for sale

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Investment in equity instruments of a subsidiary	14.1	305.22	305.22
		305.22	**305.22**

14.1 The Company entered into a Share Purchase Agreement (SPA) on 04th April, 2017 inter-alia with M/S Anand Itta Bhata Udyog Private Limited for sale of its entire shareholding in Bansal Nepal Private Limited, subsidiary of the company consisting of 508693 equity shares of Rs.60/- each subject to compliance and completion of the formalities under the Foreign Exchange Management Act and the conditions precedent in terms of the Sale Purchase Agreement. Consequently, the said investments has been classified as held for sale at its realisable value.

15 Equity Share Capital

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Authorised:			
500,000,000 Equity Shares of Re.1 each (Previous Year 500,000,000 shares of Re.1 each)		5,000.00	5,000.00
		5,000.00	**5,000.00**
Issued, Subscribed and fully paid up:			
225,086,460 Equity Shares of Re.1 each (Previous Year 225,086,460 shares of Re.1 each)		2,250.86	2,250.86
		2,250.86	**2,250.86**

Notes:

15.1 The company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

15.2 There has been no changes/movements in number of shares outstanding at the beginning and at the end of the reporting period.

15.3 Shareholders holding more than 5% equity shares

Name of Equity Shareholders	Number of Equity Shares Held	
	As at 31.03.2019	As at 31.03.2018
Ram Gopal Bansal	35750000	35750000
Harsh Kumar Bansal	18447250	18447250
Vivek Kumar Bansal	14022080	14022080

15.4 The Company does not have any Holding Company/Ultimate Holding Company.

16 Other Equity

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Capital Reserve	16.1	432.17	432.17
(b) Securities Premium	16.2	16,682.97	16,682.97
(c) General Reserve	16.3	2,207.29	2,207.29
(d) Retained earnings	16.4	30,553.11	26,491.67
		49,875.54	**45,814.10**

Notes:

Refer Statement of Changes in Equity for movement in balances of Reserves.

16.1 Capital Reserve

Capital Reserve comprises of:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Government Grant Received		15.00	15.00
Forfeiture of Warrants convertible into Equity Shares		417.17	417.17
		432.17	**432.17**

16.2 Securities Premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

Notes to the Standalone Financial Statements

16 Other Equity *(contd.)*

16.3 General Reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

16.4 Retained Earnings

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company and includes remeasurement gain/losses on defined benefit obligations. This includes Nil (March 31, 2018: Rs.102.79 Lakhs) which is not available for distribution as these are represented by changes in carrying amount of Property, Plant and Equipment being measured at fair value as on the date of transition as Deemed Cost.

17 Borrowings

(Rs. in Lakhs)

Particulars		Note No.	As at 31.03.2019		As at 31.03.2018	
			Non current	Current	Non current	Current
At Amortised Cost						
A	Secured					
(a)	Term loans					
	From banks					
	- Rupee Loan	17.1.1	3,740.83	2,929.31	6,648.02	2,788.56
	- Foreign Currency Loan	17.1.2	2,083.38	2,559.38	4,365.74	1,781.75
	From Others		-	-	-	375.00
(b)	Vehicle Loan		-	-	-	-
	From banks	17.1.3	119.06	422.75	538.63	366.18
	From Others	17.1.4	29.97	24.52	64.54	30.96
			5,973.24	**5,935.96**	**11,616.93**	**5,342.45**
B	Unsecured					
	From Related Parties		-	-	222.10	-
	From Bodies Corporate	17.1.5	1,710.29	-	3,366.28	-
			1,710.29	**-**	**3,588.38**	**-**
Total			**7,683.53**	**5,935.96**	**15,205.31**	**5,342.45**

17.1 Nature of Security

17.1.1 Secured primarily by 1st charge on the fixed assets of the company's Unit at Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future and secured by First charge on all fixed assets located at GT Road both present and future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries and other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 0.35% to 2.25% above Bank Rate and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	2,914.25
2020-2021	3,054.18
2021-2022	752.70
Total	**6,721.13**

17.1.2 Secured primarily by 1st charge on the fixed assets of the company's Unit Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future by way of equitable mortgage of the immovable assets and hypothecation of Plant and Machineries and Other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 300 basis point above 6 month LIBOR and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	2,559.38
2020-2021	2,083.38
Total	**4,642.76**

17.1.3 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 9.25% to 10.25% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	422.75
2020-2021	119.06
Total	**541.81**

Notes to the Standalone Financial Statements

17 Borrowings *(contd.)*

17.1.4 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 7.65% to 9.15% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	24.52
2020-2021	29.97
Total	**54.49**

17.1.5 Interest free Unsecured Loan at unamortised cost outstanding as on March 31, 2019 is payable as per the repayment schedule as follows:

(Rs. in Lakhs)

Financial Year	Rupees in Lakhs
2023-2024	143.05
2024-2025	1,918.09
2025-2026	650.00
Total	**2,711.14**

18 Non Current - Other Financial Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
At Amortised Cost			
Security Deposit		1,270.15	-
		1,270.15	**-**

19 Non Current-Provision

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	19.1	216.22	223.59
		216.22	**223.59**

Notes:

19.1 For other disclosures, refer Note 41

20 Deferred Tax Liabilities (Net)

The following is the analysis of Deferred Tax (Assets) / Liabilities presented in the Standalone Balance Sheet

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Deferred Tax Assets		(2,231.34)	(2,798.10)
(b) Deferred Tax Liabilities		7,443.54	7,130.84
Net deferred Tax (Assets)/ Liabilities		**5,212.20**	**4,332.74**

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2019 are given below:

(Rs. in Lakhs)

2018-19	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Defined benefit obligation	10.23	(77.09)	9.52	77.80
Mat Credit entitlement	2,787.87	802.81	-	1,985.06
Lease Rentals and Others	(77.06)	(160.13)	-	83.07
Fair valuation of Financial Instruments	-	(85.41)		85.41
Total Deferred Tax Assets	**2,721.04**	**480.18**	**9.52**	**2,231.34**
Deferred Tax Liabilities				
Property, plant and equipment	7,053.78	389.76	-	7,443.54
Lease Rentals and Others			-	-
Total Deferred Tax Liabilities	**7,053.78**	**389.76**	**-**	**7,443.54**
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,332.74**	**869.94**	**9.52**	**5,212.20**

Notes to the Standalone Financial Statements

20 Deferred Tax Liabilities (Net) *(contd.)*

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2018 are given below: (Rs. in Lakhs)

2017-18	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Defined benefit obligation	27.15	-	16.92	10.23
Mat Credit entitlement	2,787.87	-	-	2,787.87
Total Deferred Tax Assets	2,815.02	-	16.92	2,798.10
Deferred Tax Liabilities				
Property, plant and equipment	7,078.26	(24.48)	-	7,053.78
Lease Rentals	71.86	5.20	-	77.06
Total Deferred Tax Liabilities	7,150.12	(19.28)	-	7,130.84
NET DEFERRED TAX (ASSETS)/ LIABILITIES	4,335.10	(19.28)	16.92	4,332.74

21 Other Non Current Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Deferred gain on fair valuation of financial instrument		1,397.85	2,311.63
(b) Deferred revenue arising from Government Grants		298.22	332.50
		1,696.07	2,644.13

22 Borrowings

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Secured			
From Banks			
Cash credit/Working capital facilities repayable on demand	22.1	21,425.02	20,104.96
UnSecured			
From Bank			
Cash credit/Working capital facilities repayable on demand	22.2	2,107.48	2,136.70
		23,532.50	22,241.66

22.1 Cash credits from banks are secured by hypothecation of current assets including inventories and book debts and collateral security of pari pasu charge over fixed assets of the company and guaranteed by three directors of the Company.

22.2 Unsecured Borrowings are guaranteed by three directors of the Company

23 Trade payables- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of Micro Enterprise and Small Enterprises	23.1	-	-
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprises		3,092.14	6,329.14
		3,092.14	6,329.14

23.1 There are no dues to Micro and Small enterprises as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

23.2 Trade payables are non-interest bearing and are normally settled on 30 to 120 day terms.

24 Other financial liabilities- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Financial Liabilities at amortised cost			
Current maturities of long-term debts	17	5,935.96	5,342.45
(b) Security Deposit		75.00	-
(c) Liabilities for Capital Goods		-	-
Total outstanding dues of micro enterprise and small enterprises	24.1	-	-
Total outstanding dues of Creditors other than micro enterprise and small enterprises		525.88	-

Notes to the Standalone Financial Statements

24 Other financial liabilities- Current *(contd.)*

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(d) Unpaid dividend		0.07	8.29
(e) Fair Value of Foreign Exchange Forwards (Refer Note 43)		26.08	-
(f) Others - Employees related Liabilities, Liabilities for Expenses, etc.		714.10	704.53
		7,277.09	**6,055.27**

Note

24.1 There are no dues to Micro and Small enterprises with regard to the supplier of capital goods as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

25 Other Current liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Advances received from customers		657.59	13.72
(b) Statutory Dues (GST, service tax, sales tax, TDS etc.)		694.79	63.34
(c) Deferred gain on fair valuation of financial instruments		321.63	413.08
(d) Deferred revenue arising from Government Grants		34.28	34.28
		1,708.29	**524.42**

26 Provisions- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	26.1	6.43	18.15
		6.43	**18.15**

26.1 For other disclosures, refer Note 41

27 Current Tax Liability (Net)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax (Net of Advance Tax)		432.56	487.30
		432.56	**487.30**

28 Revenue from Operations

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Sale of Products		35,816.54	53,518.70
(b) Conversion Income		38,473.44	38,179.76
(c) **Other Operating Revenue**			
Transportation Charges Realised		7,768.28	2,769.98
Others- Brokerage		199.34	-
		82,257.60	**94,468.44**

Notes

28.1 Disaggregation of Revenue

Revenue based on Geography

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Domestic		82,241.68	93,536.72
Export		15.92	931.72
Total		**82,257.60**	**94,468.44**

28.2 Goods and Service Tax ("GST") has been implemented with effect from 1st July, 2017 and therefore, revenue from operations for the year ended 31st March 2019 is net off GST. Revenue from Operations and expenses for the period 1st April 2017 to 30th June 2017 included under the year ended 31st March 2018 being inclusive of Excise Duty are therefore not comparable.

Notes to the Standalone Financial Statements

29 Other Income

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Interest Income			
- Financial Instruments measured at amortised Cost	29.1	1,780.63	413.83
-on deposits		219.60	86.61
		-	-
Other non-operating income (net of expenses directly attributable to such income)		-	-
(b) Government Grant		34.28	34.28
(c) Profit on sale of Property, Plant and Equipment		134.95	552.04
(d) Liabilities no longer required written back		233.14	301.40
(e) Dividend from the subsidiary company		7.20	-
(f) Miscellaneous Income		36.59	162.81
		2,446.39	**1,550.97**

29.1 Includes Rs.1,489.48 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,750.20 Lakhs in this respect have been shown under Interest Expenses. (Refer Note 33.1)

30 Cost of Materials Consumed

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Raw Materials Consumed		47,183.58	55,004.67
		47,183.58	**55,004.67**

31 Changes in stock of finished goods, stock in trade and work-in-progress

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Opening Stock			
Finished Goods		6,726.18	4,863.95
Work in Progress		2,872.36	2,872.36
		9,598.54	**7,736.31**
Less: Closing Stock			
Finished Goods		6,424.26	6,726.18
Work in Progress		2,971.80	2,872.36
		9,396.06	**9,598.54**
(Increase)/ Decrease in Inventories of Finished goods, Stock-in - Trade and Work-in-Progress		202.48	(1,862.23)

32 Employee benefits expense

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Salaries and wages		2,211.99	1,729.59
(b) Contribution to provident fund	41	90.72	121.28
(c) Staff welfare expenses		294.06	520.27
		2,596.77	**2,371.14**

33 Finance Costs

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Expense	33.1	5,626.93	4,657.05
		5,626.93	**4,657.05**

33.1 includes Rs.1,750.20 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,489.48 Lakhs in this respect have been shown under Other Income. (Refer Note 29.1)

Notes to the Standalone Financial Statements

34 Depreciation and Amortisation Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Depreciation on Tangible Assets	2	4,616.68	4,752.50
Amortisation on Intangible Assets		6.92	6.46
		4,623.60	**4,758.96**

35 Other Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Consumption of stores and spares		3,298.28	3,065.86
Power and Fuel		5,501.11	5,325.82
Rent	35.1	290.81	248.35
Repairs and Maintenance to Machinery		227.20	165.57
Repairs and Maintenance to Building		26.75	13.16
Rates and Taxes	35.2	100.39	1,591.87
Transportation Charges Paid		1,802.91	2,164.31
Directors' Remuneration		397.06	361.69
Carriage inward		484.98	474.93
Excise duty paid and on stock		-	314.50
Auditor's Remuneration	35.3	30.70	16.90
Loss on Investment in Subsidiary held for sale		-	12.72
Irrecoverable Balances written off	35.4	1,429.34	-
Exchange Difference Loss		435.64	33.78
Miscellaneous expenses	35.5	3,818.81	2,962.65
		17,843.98	**16,752.11**

35.1 Operating lease disclosures

The Company has certain operating lease arrangements for factory land with tenure extending upto 30 years. Terms of such lease arrangement include escalation clause for rent whereby the rent for the aforementioned lease is liable to be doubled after 4 years and thereafter may be revised after every 20 years in accordance with the rules framed by the Government of Jharkhand or the lessor. There are no restrictions imposed by lease agreements. There are no sub lease. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit and Loss amounts to Rs.20.57 lakhs (P.Y.-Rs.20.57 lakhs)

35.2 Includes Rs.Nil (previous year Rs.1,436.89 lakhs) being payment made to Sales Tax Authorities under Settlement of Dispute Scheme.

35.3 Auditor's Remuneration includes:

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Audit Fees		15.00	10.00
(b) Tax Audit Fees	35.3.(a)	6.00	-
(c) Certifications and other Services		9.70	6.90
		30.70	**16.90**

35.3(a) includes Rs.3.00 Lakhs (P.Y.: Rs.Nil) pertaining to previous year.

35.4 Includes Rs.221.11 Lakhs (P.Y.: Nil) written off in respect of Bansal Nepal Private Limited, a Subsidiary Company as mentioned in Note 14.1

35.5 Corporate Social Responsibility

Includes Rs.111.99 lakhs (P.Y.: Rs.81.93 lakhs) on account of Corporate Social Responsibility (CSR). Gross Amount required to be spent by the Company during the year Rs.99.18 lakhs (P.Y.: Rs.79.75 lakhs). Also Refer Note 35.5.1 and 35.5.2

35.5.1 Amount Spent during the year on

(Rs. in Lakhs)

Particulars	In Cash	Total Yet to Be Paid in cash	Total
(i) Construction/acquisition of any assets	NIL	NIL	NIL
(ii) On purpose other than (i) above	111.99	NIL	111.99

Notes to the Standalone Financial Statements

35 Other Expenses *(contd.)*

35.5.2 Disclosure related to Corporate Social Responsibility (CSR)

The breakup of CSR expenditure under various heads of expenses incurred is as below:- (Rs. in Lakhs)

Sl. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Animal Welfare	1.50	1.12
2	Promotion of Education including special education	73.16	41.42
3	Providing Safe Drinking Water	0.81	1.06
4	Eradication Of Hunger, Poverty & Malnutrition	25.80	29.51
5	Promoting Health care including preventive health care	9.72	8.82
6	Chief Minister Distress Relief Fund	1.00	-
	Total Amount	**111.99**	**81.93**

36 Tax Expense

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Tax Expense	2,234.51	2,051.63
	2,234.51	**2,051.63**

36.1 Components of Tax Expense

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Current tax	1,364.57	2,070.91
Deferred tax	869.94	(19.28)
Total tax expense recognised in the Statement of Profit and Loss	**2,234.51**	**2,051.63**

36.2 Reconciliation of Income Tax Expenses for the year with accounting profit as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit before tax	6,332.48	7,165.06
Income tax expense calculated at 34.944% (P.Y. - 34.608%)	2,212.82	2,479.67
Add: Effect of Expenses that are not deductible in determining taxable profit		
Effect of temporary differences on account of tax of earlier periods	-	-
Expenses not allowed for tax purpose	-	1.80
Certain expenses to be allowed on payment basis	-	27.99
Effect of fair valuation of Financial assets and Financial Liabilities	21.69	-
Less: Effect of Expense/income that are deductible/not taxable in determining taxable profit		
Effect of temporary differences on account of tax of earlier periods	-	220.53
Effect of other adjustments	-	237.30
Income Tax recognised in the Statement of profit and loss	**2,234.51**	**2,051.63**

The tax rate used for reconciliations above is 30% as applicable for corporate entities on taxable profits under the Indian tax laws.

36.3 Income Tax recognised in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Deferred tax (charge)/ Credit on		
Remeasurement of defined benefit obligation	(9.52)	(16.92)
Total income tax recognised in other comprehensive income	**(9.52)**	**(16.92)**
Bifurcation of the income tax recognized in Other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	(9.52)	(16.92)

Notes to the Standalone Financial Statements

36 Tax Expense *(contd.)*

36.4 Components of Other Comprehensive Income (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Items that will not be reclassified to profit or (loss)		
Remeasurement of defined benefit obligation (Net of Tax)	17.73	31.96
	17.73	31.96

37 Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities (Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Claims against the Company not acknowledged as Debt		
i. Counter guarantee issued by company to bank, in respect of bank guarantee issued	4,730.29	5,419.37
ii. Corporate guarantee issued by company on behalf of subsidiary company-Sail Bansal Service Centre Limited (to the extent of Borrowings there against)	-	34.68
iii. Income tax demands under appeal	178.34	218.22
iv. Sales Tax Demand Under appeal	115.52	-

37.A.1 The Company's pending litigation comprises of claim against the Company and proceeding pending tax/statutory/Government authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its standalone Financial Statements. The Company does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of (iii) and (iv) above are dependent upon the outcome of judgments / decisions.

B. Capital and Other Commitment (Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Capital commitments {net of advances of Rs.1,897.54 lakhs (Previous Year - Rs.1,679.74 lakhs)}	600.32	138.48

37.B.1 Disclosure as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, unresolved claims remains outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

38 Trade Receivables, Trade payables and advances recoverable are subject to confirmation/reconciliation and consequential adjustments, if any arising thereof. In the opinion of the management, current assets, loans and advances will have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

39 Earnings Per Share

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a) Profit after Tax for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss (Rs. in Lakhs)	4,097.97	5,113.43
b) Number of Equity Shares (Nos):		
(i) Weighted average number of equity shares outstanding during the period	22,50,86,460	22,50,86,460
(ii) Dilutive Potential Equity shares	Nil	Nil
Nominal value per equity share (Re.)	1	1
c) Earnings per share of Equity share of Re.1 each (in Rs.) - Basic (a/b(i))	1.82	2.27
d) Earnings per share of Equity share of Re.1 each (in Rs.) - Diluted (a/b(i))	1.82	2.27

40 Segment Reporting

(i) The Company has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

Notes to the Standalone Financial Statements

40 Segment Reporting *(contd.)*

(ii) Geographical Segment

(Rs. in Lakhs)

Particulars	2018-19	2017-18
Revenue by Geographical market		
Sale of Products and Services		
- Domestic	82,241.68	93,536.72
- Export	15.92	931.72
Total	**82,257.60**	**94,468.44**
Assets		
Trade Receivable		
- Within India	19,439.77	20,895.16
- Outside India	-	-
Total	**19,439.77**	**20,895.16**

(iii) Information about Major Customer

Revenue from Conversion Income of steel and steel products include sale of service to one Public Company pertaining to the Steel sector which account for more than 10% and amounting to Rs.33,513.58 lakhs (March 31, 2018 - Rs.34,389.08 lakhs) in aggregate of the total revenue of the Company.

41 Employee Benefits

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

The Company also has certain Defined Contribution plans. Contributions are made to provident fund in India at the rate of 12% of salary of the employees covered as per the regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

As per Indian Accounting Standard 19 "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits are given below:

i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under: (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Employer's Contribution to Provident Fund	90.72	72.40

The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

ii) Defined Benefit Scheme

The Company has defined benefit plan comprising of gratuity. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) actuarial 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.

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
A. Change in fair value of Defined Benefit Obligation:		
Present Value of Defined Benefit Obligations as at the beginning of the year	241.74	253.52
Current Service Cost	27.74	31.36
Past Service Cost	-	1.03
Interest Cost	18.61	18.97
Benefit Paid	(38.19)	(14.26)
Actuarial (Gain) / Losses	(27.25)	(48.88)
Present Value of Defined Benefit Obligations as at the end of the year	**222.65**	**241.74**

Notes to the Standalone Financial Statements

41 Employee Benefits *(contd.)*

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
B. Change in Fair Value of plan Assets:		
Fair value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan assets	-	-
Contributions by the Employers	-	-
Benefit paid	-	-
Actuarial Gains/(Losses)	-	-
Fair value of plan Assets at the end of the year	**-**	**-**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:		
Present Value of Defined Benefit Obligations as at the end of the year	222.65	241.74
Fair value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	**222.65**	**241.74**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
D. Components of Defined Benefit Cost		
Current Service Cost	27.74	31.36
Past Service Cost	-	1.03
Interest Cost	18.61	18.97
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss on remeasurement recognized in OCI	(27.25)	(48.88)
Total Defined Benefit Cost recognized in the Statement of Profit and Loss and OCI	**19.10**	**2.48**

For Gratuity (Unfunded)	2018-19	2017-18
E. Principal Actuarial Assumptions used		
Discounted Rate (per annum) Compound	7.75%	7.70%
Salary Inflation Rate	6.00%	6.00%
Mortality Rate	IALM 2006-2008 ULTIMATE	
Attrition Rate	1.00%	1.00%
Retirement age	58 Years	60 years
Expected Rate of return on Plan Assets	NA	NA

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18	2016-17	2015-16	2014-15
F. Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)					
Present Value of Defined Benefit Obligations	222.65	241.74	253.52	192.60	137.18
Fair value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	222.65	241.74	253.52	192.60	137.18
Experience Adjustment on Plan Assets [Gain/(Loss)]					
Experience Adjustment on Obligation [Gain/(Loss)]					

Notes to the Standalone Financial Statements

41 Employee Benefits *(contd.)*

G. Sensitivity analysis

Particulars	31.03.2019		31.03.2018	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	209.45	237.10	225.69	259.49
%Change Compared to base due to sensitivity	-5.930%	6.490%	-6.641%	7.341%
Salary Growth (-/+ 0.5%)	236.87	259.60	259.60	225.45
%Change Compared to base due to sensitivity	6.380%	-5.940%	7.390%	-6.738%
Attrition Rate (-/+ 0.5%)	223.21	222.08	241.73	241.75
%Change Compared to base due to sensitivity	0.250%	-0.250%	-0.003%	0.003%
Moratility Rate (-/+ 10%)	-	-	241.90	241.57
%Change Compared to base due to sensitivity	0.000%	0.000%	0.068%	-0.068%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

H. Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

(Rs. in Lakhs)

Particulars	Gratuity
01 April 2019 to 31 March 2020	6.43
01 April 2020 to 31 March 2021	12.62
01 April 2021 to 31 March 2022	12.01
01 April 2022 to 31 March 2023	6.01
01 April 2023 to 31 March 2024	14.65
01 April 2024 Onwards	100.45

I.

Particulars	As at March 31, 2019	As at March 31, 2018
Average number of people employed	599	623

42 Related Party Transactions

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Name of related parties and related party relationship:

Subsidiaries	SAIL Bansal Service Centre Limited
	Confident Financial Consultancy Private Limited
	Perfect Investment Consultancy Private Limited
	Sidhant Investment Advisory Private Limited
	Siddhi Vinayak Commosales Private Limited
	Shri Hari Vincom Private Limited
	Narayan Dealcom Private Limited
	Fairplan Vintrade Private Limited
	Nageshwar Tradelink Private Limited
	Bansal Nepal Private Limited (Refer Note No 14.1)
Key Managerial Personnel	Ram Gopal Bansal
	Harsh Kumar Bansal
	Vivek Kumar Bansal
Enterprises over which Key Managerial Personnel has significant influence	JIT Transport Organisation
	Encash Commercial Private Limited
	Pioneer Goods Private Limited
	Jayamala Commercial Private Limited

Notes to the Standalone Financial Statements

42 Related Party Transactions *(contd.)*

B) Nature of Transaction with the related parties referred to in serial no. (A) above (Rs. in Lakhs)

Nature Of Transactions	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Sales			
Sail Bansal Service Centre Limited		4.66	9.49
(ii) Rent Paid		-	-
Ram Gopal Bansal		15.00	15.00
(iii) Remuneration		-	-
Ram Gopal Bansal		156.00	156.00
Harsh Bansal		120.00	102.00
Vivek Bansal		120.00	102.00
(iv) Purchase		-	-
Sail Bansal Service Centre Limited		-	-
(v) Rent Received		-	-
JIT Transport Organisation		25.20	25.20
(vi) Intercorporate Loan Repaid (At Unamortised Cost)		-	-
Perfect Investment Consultancy Private Limited		183.99	270.00
Shri Hari Vincom Private Limited		228.00	-
Encash Commercial Private Limited		-	20.00
Fairplan Vintrade Private Limited		-	32.50
Pioneer Goods Private Limited		-	50.00
Jayamala Commercial Private Limited		-	1.50
(vii) Irrecoverable balances Written Off		-	-
Bansal Nepal Private Limited	35.4	221.11	-
(viii) Dividend Received			
Sail Bansal Service Centre Limited		7.20	-

C) Balances of Related parties is as follows: (Rs. in Lakhs)

Nature Of Transactions	Note No.	As At 31st Mar 2019	As At 31st Mar 2018
(i) Outstanding Balances (Receivables)			
Bansal Nepal Private Limited - Interest free		-	221.11
Sail Bansal Service Centre Limited	13	293.10	324.89
JIT Transport Organisation		90.30	82.96
(ii) Outstanding Balances (Payable)			
Sail Bansal Service Centre Limited		-	2.82
Shri Hari Vincom Private Limited		-	228.00
Perfect Investment Consultancy Private Limited		-	183.99

D) The remuneration of directors and other members of key management personnel during the year as follows: (Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Short–term employee benefits		396.00	360.00
Post–employment benefits*		-	-

*Excluding contribution to gratuity fund

In respect of above parties there is a provision of Rs.NIL (March 31, 2018 NIL) as on 31st March, 2019 and Rs.221.11 lakhs (March 31, 2018 NIL) has been written off during the year 2018-2019 in respect of debts due from them.

E) The above related parties information is as identified by the management and relied upon by the auditor.

Notes to the Standalone Financial Statements

43 Financial Instruments

(a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:–

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non–Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	19,439.77	19,439.77	20,895.16	20,895.16
Cash and cash equivalents	262.80	262.80	50.83	50.83
Other Bank Balances	874.37	874.37	961.41	961.41
Investments in Subsidiaries	665.69	665.69	665.69	665.69
Loans	313.15	313.15	124.33	124.33
Other Financial Assets	905.12	905.12	413.56	413.56
Financial Liabilities (Current and Non–Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	37,151.99	37,151.99	42,789.43	42,789.43
Trade Payables	3,092.14	3,092.14	6,329.12	6,329.12
Other Financial Liabilities	1,315.06	1,315.06	712.81	712.81
Derivative - not designated as hedging instruments: Forward	26.08	26.08	-	-

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short–term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the Standalone Financial Statements approximate their fair values.

Fair Value of Long term debt approximates their carrying value subject to adjustments made for transaction cost.

The non current financial assets represent security deposits given to government authorities and for the purpose of day-to-day utilities of the Company and therefore the need of fair valuation does not arise in such a case.

A substantial portion of the company's long–term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

Fair value of Security deposits and Unsecured Loans from Bodies Corporate have been determined on Effective interest Rate method (EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument.

Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. The inputs used for forward contracts are Forward foreign currency exchange rates.

Derivative Instruments

The Company follows risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

i) The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Category	Currency	Number of Deals	Amount in USD (Lakhs)	Underlying Purpose
Forward	USD/ INR	One (Previous Year Nil)	9.21 (Previous Year Nil)	External Commercial Borrowings

Notes to the Standalone Financial Statements

43 Financial Instruments *(contd.)*

ii) Unhedged Foreign Currency exposures are as follows: -

Nature	Currency	Amount in Foreign Currency (USD in Lakhs)	
		As at March 31, 2019	As at March 31, 2018
External Commercial Borrowings	USD	58.89	94.51

The table below analyses the derivative financial instruments into relevant maturity groups based on the remaining period as of the balance sheet date:

Nature	Amount in Foreign Currency (USD in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Not Later than One Month	-	-
Later than one month and not later than three months	-	-
Later than three months and not later than one year	9.21	-
Later than one year	-	-

FINANCIAL RISK FACTORS

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks including Fixed Deposits with Banks, trade receivables and other receivables, Deposits and Investments.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:

MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and trade receivables.

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and others. Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the company's cash flows as well as costs. There are certain borrowings at fixed interest rate which exposes the company to the fair value interest rate risk, however exposure in such borrowings is not significant.

Further there are deposits with banks which are for short term period and are exposed to interest rate risk, falling due for renewal.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on the Profit or Loss with respect to floating rate portion of loans and borrowings

(Rs. in Lakhs)

Particulars	Increase in basis points	For the year ended 31.03.2019	For the year ended 31.03.2018
Rupee Loan	+0.50	463.00	180.49
Foreign Currency Loan	+0.50	117.79	20.79

A decrease in 0.50 basis point in Rupee Loan and Foreign Currency Loan would have an equal and opposite effect on the Company's Standalone Financial Statements

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's trade receivables and trade payables.

The Company evaluates the impact of foreign exchange rate fluctuation by assessing its exposure to exchange rate risks.

The carrying amount of various exposures to foreign currency as at the end of the reporting period are as follows: (Rs. in Lakhs)

Particulars	Borrowings	
	As at March 31, 2019	As at March 31, 2018
USD	4,642.76	6,147.50

Notes to the Standalone Financial Statements

43 Financial Instruments *(contd.)*

Nature of Transactions (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Payables (Weaking of INR by 5%)		
USD	(232.14)	(307.37)

Figures in bracket represent Loss.

A 5% strengthening of INR would have an equal and opposite effect on the Company's Standalone Financial Statements.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of respective financial assets recognised in the Standalone Financial Statements, represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being well established, large and unrelated.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate impairment allowances for doubtful debts are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents and deposits are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables amounts that are past due at the end of the reporting period against which no credit losses has been expected to arise.

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 loans from banks. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Liquidity and interest risk tables

The following tables detail the Company's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

Interest rate and currency of borrowings

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	33,510.07	596.30	30,202.63	2,711.13	8.13%
Borrowings in Foreign Currency (USD)	4,642.76	-	4,642.76	-	10.37%

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	39,821.60	1,000.30	32,098.69	6,722.61	9.38%
Borrowings in Foreign Currency (USD)	6,147.50	-	6,147.50	-	6.52%

Notes to the Standalone Financial Statements

43 Financial Instruments *(contd.)*

Maturity Analysis of unamortised Financial Liabilities

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	38,152.83	23,532.50	2,740.20	3,180.70	8,699.43	38,152.83
Trade payables	3,092.14	-	3,092.14	-	-	3,092.14
Other Liabilities	1,315.06	0.07	1,314.99			1,315.06

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	45,969.10	22,241.66	2,736.70	2,605.75	18,384.99	45,969.10
Trade payables	6,329.12	-	6,329.12	-	-	6,329.12
Other Liabilities	712.81	8.28	704.53	-	-	712.81

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

(b) Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as high financial flexibility for potential future borrowings.

The gearing ratio is as follows: (Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	37,151.99	42,789.43
Less: Cash and Cash Equivalents	262.80	50.83
Net Debt	36,889.20	42,738.60
Equity	52,126.40	48,064.97
Equity and Net Debt	89,015.60	90,803.57
Gearing Ratio	0.41	0.47

(c) Declaration of Dividend

The Board of Directors in its meeting held on 10th April, 2018 has declared an Interim Dividend of Re.0.02 per equity shares (2%) for the year 2018-19. The total equity dividend paid is Rs.45.01 Lakhs and the Dividend Distribution Tax paid thereon amounted to Rs.9.25 Lakhs.

44 Previous year figures have been regrouped wherever necessary to confirm with financial statements.

45 These Standalone financial statements have been approved by the Board of Directors of the Company on May 30, 2019 for issue to the shareholders for their adoption.

As per our report of even date

For and on behalf of the Board of Directors

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

H.K. Verma
Partner
Membership No. 055104

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

Place: Kolkata
Date: 30th May, 2019

Independent Auditors' Report

To the Members
of BMW INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of BMW Industries Limited (hereinafter referred to as" the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Balance Sheet as at March 31, 2019, 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 Consolidated Financial Statements, including a summary of significant accounting policies and Other Explanatory Notes for the year ended on that date (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 state of affairs of the Company as at March 31, 2019, and its profit, the changes in equity and its cash flows for the year ended on that date.

Basis For Qualified Opinion

Attention is invited to the following matter: -

Note No. 4.2 of the Consolidated financial statement regarding non disclosures and fair valuation of Investments in terms of Ind AS 109 "Financial Instruments" in the absence of details available with the certain Subsidiary Companies, the impact in this respect has not been ascertained presently.

Impacts with respect to above are presently not ascertainable and as such cannot be commented upon by us.

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 Responsibility 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 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters for incorporation in our report. The below mentioned key audit matters pertains to Holding Company as the other auditors of the Company have not given any key audit matters in their reports.

Key audit Matters	Addressing the Key Audit Matters
Trade Receivables Gross Trade Receivable of the Company is Rs.19,439.77 Lakhs as on 31st March 2019. This includes significant amounts, which have fallen due for payment and are lying outstanding for a considerable period of time. (Note No. 8 of the Consolidated Financial Statements) The increasing challenges over the economy and operating environment in the steel industry have increased the risks of default against receivables from the customers. The Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations. The recoverable amount was estimated by management based on recoverability assessment of recoverability on case to case basis and required significant audit attention. The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the	Our audit procedures based on which we arrived at the conclusion regarding the carrying amount of Trade Receivables include the following: • We obtained an understanding from the Management, assessed and tested the design and operating effectiveness of the Company's key controls over the recoveries against the outstanding amounts and resultant impairment assessment of material Trade Receivables; • We reviewed Management's assessment and evaluation on the credit worthiness of the major trade receivables and historical trends and current dealing with the customers; • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment keeping in view the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any provision should be made;

Key audit Matters	Addressing the Key Audit Matters
trade receivables, credit worthiness of the parties and historical write-off experience.	• Tested settlement of trade receivables subsequent to the balance sheet date on a sample basis; and • We further discussed with the Management the adequacy of the impairment as recognised and reviewed the supporting documents provided in relation to the same.
Inventory determination and Valuation As at 31st March 2019, the Company has Rs.21,089.53 Lakhs of Inventories (Note No. 7 of the Consolidated Financial Statements). Given the size of the Inventory relative to the total assets of the Company and the estimates and judgements described below, the determination and valuation of Inventory required significant audit attention. Given the nature of Industry and volume of inventory and physical verification being undertaken in phases not covering all the locations, determination thereof in absence of specific identification, batches etc has largely been arrived on theoretical basis considering cross-sectional weight including for the locations not covered for verifications. Moreover, certain materials are lying in heaps and / or are suspectable to obsolescence and deterioration in quality. All these requires specific procedures based on technical experience for arriving at the ground stock of usable / saleable inventory. The result of these procedures may not always be accurate and involves significant management judgement and estimation. As disclosed in Note 1(C) (k), Inventories are held at lower of cost or Net Realizable Value determined using the First in First Out/ Weighted Average cost method. At year end, valuation of Inventories is reviewed by the management and the cost of Inventory is reduced in cases where the Net Realizable value is lower. Management reviews the Ageing reports together with historical trends to estimate the likely future saleability of slow moving and older inventory items and performed a line-by-line analysis to ensure that it is stated at the lower of cost or net realizable value.	Our audit procedures based on which we arrived at the conclusion regarding the carrying amount of Inventories include the following: • Witnessed the year end Physical Verification carried at production units by the management and physically verified the sample drawn for this purpose. • Reviewed the procedures and documentation with respect to the verification carried out by the management • Obtained the reports of the verification carried during the year at different locations by the independent agencies and reviewed the outcome thereof. • Reviewed the ageing report used by the management by agreeing a sample of aged inventory items; • On a sample basis we verified the net realizable value of inventory items to recent realizable value; and • enquiring management personnel, including those outside of finance function were made, and the results of our testing as given above were considered to determine the inventory and the valuation thereof.

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 in the Board's Report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance, but does not include the Consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated state of affairs (financial position), Consolidated Profit or Loss (financial performance including other comprehensive income), Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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's, 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 Company 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.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

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

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

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

Other Matter

1. We did not audit the financial statements of eight subsidiaries whose financial statements reflect total assets and total net assets as at 31st March, 2019, total revenues and net cash inflow/(outflow) for the year ended on that date considered as under in the consolidated financial statements based on financial statements audited by other auditors:

Name of the Subsidiaries	Total Assets as on March 31, 2019	Net Assets as on March 31, 2019	Total Revenues for the year ended March 31, 2019	Net Cash Inflows/ (Outflows)
Confident Financial Consultancy Private Limited	2,278.10	1,453.22	243.33	93.02
Perfect Investment Consultancy Private Limited	1,488.70	1,475.69	60.89	15.80
Sidhant Investment Advisory Private Limited	2,469.03	2,441.79	15.60	29.44
Sidhi Vinayak Comosales Private Limited	1,474.94	1,425.09	8.30	(0.01)
Shri Hari Vinicom Private Limited	1,647.54	1,602.46	55.99	21.34
Narayana Dealcom Private Limited	2,067.02	2,061.21	17.80	(6.09)
Fairplan Vintrade Private Limited	1,991.32	1,931.64	95.51	7.13
Nageshwara Tradelink Private Limited	1,800.17	1,799.79	10.25	(0.11)
Total	**15,216.82**	**14,190.89**	**507.66**	**160.52**

2. The other auditors of the aforesaid components have not reported the following matters in their Auditor's Report

   i. Key Audit Matters

   ii. Information Other than the Financial Statements and Auditors' Report Thereon

   In the absence of the same, we are unable to incorporate these matters for the Group and accordingly these matters have been reported for the Holding Company only.

3. Our opinion on the consolidated 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 certified by the Management.

Report on Other Legal and Regulatory Requirements.

I. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of other auditors on separate Financial Statements and on the other financial information of subsidiaries, as noted in 'Other Matters' paragraph above, we report, to the extent applicable, that:

   a) We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements;

   b) In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the report of the other auditor;

   c) The Consolidated Balance Sheet, 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 dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

   d) In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion above, the aforesaid Consolidated Financial Statement comply with the Indian Accounting Standards specified under section 133 of the Act;

   e) On the basis of the written representations received from the directors of the Holding Company and Subsidiary Company as on March 31, 2019 and taken on record by the Board of Directors of the Holding Company and the report of other statutory auditor of its subsidiaries, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;

   f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   g) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's reports of the Holding Company and subsidiaries, which are companies incorporated in India. Our report expresses an qualified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting; and

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

i. The Consolidated Financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 37 to the Consolidated financial statements.

ii. The Group did not have any long-term contracts, including derivative contracts as at March 31, 2019, for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the investor education and protection fund by the subsidiaries during the year ended.

II. With respect to the reporting under Section 197 (16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the Remuneration (including Sitting fees) paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha& Co.
Chartered Accountants
Firm's ICAI Registration No.: 301051E

H K Verma
Partner
Membership No: 055104

Place: Kolkata
Date: May 30, 2019

Annexure "A" referred to in our report of even date

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

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended March 31st, 2019, we have audited the internal financial controls over financial reporting of BMW Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their report referred to in the other matters paragraph below 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 with reference to Financial Statements

A company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 With reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit the following material weakness have been identified in the Company's internal financial controls with reference to Financial Statements as at March 31, 2019:

Note No. 4.1 of the Consolidated financial Statement regarding non disclosures and fair valuation of Investments in terms of Ind AS 109 "Financial Instruments" in the absence of details available with the Subsidiary Companies, the impact in this respect has not been ascertained presently.

A "material weakness" is a deficiency, or a combination of deficiencies, in the internal financial control with reference to Financial Statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiaries have, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2019, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to Financial Statements issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to Financial Statements in so far as it relates to eight subsidiary companies which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

For Lodha& Co.
Chartered Accountants
Firm's ICAI Registration No.: 301051E

H K Verma
Partner
Membership No: 055104

Place: Kolkata
Date: May 30, 2019

Consolidated Balance Sheet as at 31st March, 2019

(Rs. in Lakhs)

	Notes No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	2	48,251.23	51,606.04
(b) Capital Work-in-progress		2,288.32	2,147.67
(c) Intangible Assets	3	3.29	6.46
(d) Financial Assets		-	-
i) Investments	4	7,687.28	7,864.03
ii) Other Financial Assets	5	774.47	327.33
(e) Deferred Tax Assets (Net)	20	22.46	41.44
(f) Other Non-current assets	6	2,145.65	2,003.79
Total Non-current Assets		**61,172.70**	**63,996.76**
Current Assets			
(a) Inventories	7	21,107.10	22,546.69
(b) Financial Assets			
(i) Trade receivables	8	21,190.23	21,541.76
(ii) Cash and cash equivalents	9	484.04	85.43
(iii) Other Bank balances	10	874.37	961.41
(iv) Loans	11	5,953.88	5,887.02
(v) Others	12	134.42	90.00
(c) Other current assets	13	7,783.57	4,514.84
Total Current Assets		**57,527.61**	**55,627.15**
Assets Classified as held for sale	14	305.22	305.22
Total Assets		**1,19,005.53**	**1,19,929.13**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	2,250.86	2,250.86
(b) Other Equity	16	63,507.93	59,375.46
Equity attributable to Equity Shareholders of the Parent		**65,758.79**	**61,626.32**
Non Controlling Interest		**72.24**	**66.00**
Total Equity		**65,831.03**	**61,692.32**
Non-current Liabilities			
(a) Financial Liabilities			
i) Borrowings	17	7,683.92	15,205.31
ii) Other Financial Liabilities	18	1,270.15	-
(b) Provisions	19	234.82	244.11
(c) Deferred Tax Liabilities (Net)	20	5,212.20	4,332.74
(d) Other Non-Current Liabilities	21	1,696.06	2,644.13
Total Non-current Liabilities		**16,097.15**	**22,426.29**
Current liabilities			
(a) Financial Liabilities			
i) Borrowings	22	23,532.50	22,249.66
ii) Trade Payables	23		
- Total outstanding dues to Micro and Small Enterprise		-	-
- Total outstanding dues to creditors other than Micro and Small Enterprise		4,066.30	6,413.78
iii) Other Financial Liabilities	24	7,351.29	6,133.16
(b) Other current liabilities	25	1,715.78	534.60
(c) Provisions	26	6.94	20.31
(d) Current Tax Liability (Net)	27	404.54	459.01
Total Current liabilities		**37,077.35**	**35,810.52**
Total liabilities		**53,174.50**	**58,236.81**
Total Equity and Liabilities		**1,19,005.53**	**1,19,929.13**

Accompanying Notes on Financial Statements 1 - 46

These notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

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

(Rs. in Lakhs)

Sl No.	Particulars	Notes No.	For the year ended 31.03.2019	For the year ended 31.03.2018
I	Revenue from operations	28	82,864.14	94,829.31
II	Other Income	29	2,658.20	1,569.93
III	**Total Income (I + II)**		**85,522.34**	**96,399.24**
IV	EXPENSES			
	(a) Cost of materials consumed	30	47,183.58	55,000.89
	(b) Purchases of Stock in Trade		647.03	7,172.65
	(c) Changes in inventories of finished goods, stock in trade and work-in-progress	31	205.11	(1,811.54)
	(d) Employee benefits expense	32	2,666.59	2,434.70
	(e) Finance costs	33	5,627.28	4,673.72
	(f) Depreciation and amortisation expenses	34	4,680.33	4,826.62
	(g) Other expenses	35	18,052.66	16,901.71
	Total Expenses (IV)		**79,062.58**	**89,198.75**
V	Profit before tax (III - IV)		**6,459.76**	**7,200.49**
VI	Tax Expense			
	(1) Current tax		1,392.78	2,072.82
	(2) Deferred tax- Charge/(Credit)	20	887.68	(15.19)
			2,280.46	**2,057.63**
VII	Profit for the year (V-VI)		**4,179.30**	**5,142.86**
VIII	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	- Remeasurement gains / (losses) on defined benefit plans		31.72	49.61
	- Income tax relating to items that will not be reclassified to profit or loss	36.3	(10.76)	(17.27)
	Other Comprehensive Income for the year (net of tax)	36.4	**20.96**	**32.34**
IX	Total comprehensive income for the year comprising profit and other comprehensive income for the year (VII + VIII)		**4,200.26**	**5,175.20**
X	Profit for the year Attributable to:			
	(a) Owners of the Partner		4,168.57	5,130.60
	(b) Non-controlling Interest		10.73	12.26
XI	Other comprehensive Income attributable to:			
	(a) Owners of the Partner		19.67	32.19
	(b) Non-controlling Interest		1.29	0.15
XII	Total comprehensive Income attributable to:			
	(a) Owners of the Partner		4,188.24	5,162.79
	(b) Non-controlling Interest		12.02	12.41
XIII	Earnings per Equity share (par value Re 1 each):			
	(1) Basic (Rs.)	39	1.86	2.28
	(2) Diluted (Rs.)	39	1.86	2.28

Accompanying Notes on Financial Statements 1 - 46

These notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

H.K. Verma
Partner
Membership No. 055104

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

Place: Kolkata
Date: 30th May, 2019

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

(Rs. in Lakhs)

Particulars	31st March, 2019		31st March, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		6,459.76		7,200.49
ADJUSTMENTS FOR -				
Depreciation and Amortisation	4,680.33		4,826.62	
Finance Costs	5,627.28		4,673.72	
Ammortsiation of leasehold payment	5.41		-	
Liabilities no longer required written back	(227.32)		(301.40)	
Interest Income	(2,014.44)		(86.61)	
Profit on sale of Property, Plant and Equipment	(134.95)		(552.04)	
Loss on Fair Valuation of Financial Instruments	-		12.72	
		7,936.31		**8,573.01**
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**14,396.07**		**15,773.50**
ADJUSTMENTS FOR -				
Trade and other receivables	1,467.38		(3,235.99)	
Inventories	1,439.59		(4,548.57)	
Loans and Advances	(5,011.83)		(915.55)	
Trade Payable and Other Liabilities	59.06		2,995.39	
		(2,045.80)		(5,704.72)
CASH GENERATED FROM OPERATIONS		**12,350.27**		**10,068.78**
Direct Taxes Paid		(1,447.35)		(879.31)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		**10,902.92**		**9,189.47**
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Property, Plant and Equipments	(1,722.46)		(858.00)	
Sale of Property, Plant and Equipments	176.63		667.21	
Interest Income	2,014.44		86.61	
Deposit with Banks Original maturity with more than 3 months	(2.23)		(357.14)	
Unsecured loan/ Advance Given	221.10		-	
Sale of Investment	176.75		342.63	
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		864.23		(118.69)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest Paid	(5,627.28)		(4,673.72)	
Proceeds/ (Repayment) from Short Term Borrowings from Bank (Net)	1,290.84		(469.18)	
Repayment of Long Term Borrowings from Banks	(4,668.85)		(4,566.36)	
Proceeds of Long Term Borrowings from Banks	-		42.76	
Repayment of Long Term Borrowings from Others	(416.01)		(500.02)	
Proceeds of Long Term Borrowings from Others	-		45.22	
Repayment of Long Term Borrowings from Bodies Corporate	(1,878.09)		(105.83)	
Proceeds of Long Term Borrowings from Bodies Corporate	0.39		1,081.23	
Repayment of Short Term Borrowings from Bodies Corporate	(8.00)		-	
Payment of Dividend including Taxes	(61.54)		(27.09)	
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		(11,368.54)		(9,172.99)
NET INCREASE/(DECREASE) IN CASH and CASH EQUIVALENTS (A+B+C)		398.61		(102.21)
Cash and Cash Equivalents as at the beginning of the year - Refer Note No. 9		85.43		191.49
Less: Adjustment of cash and cash equivalents of Subsidiary included above at the beginning of the year on account of assets classified as held for sale during the year				3.85
Cash and Cash Equivalents as at the end of the year - Refer Note No. 9		484.04		85.43

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

Note:

1. Cash and Cash Equivalents consists of cash on hand and Bank balances in Current Account, Dividend Account and Short Term Deposits with original maturity of less than three months. The details of cash and cash equivalents as per Note 9 of the Standalone Balance Sheet is as under:

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
In Current account	261.09	261.09
In Cash Credit account	-	-
In Fixed Deposits (having original maturity of less than 3 months)	19.83	19.83
In Dividend account	0.07	0.07
Cheques on Hand	200.94	200.94
Cash on hand	2.11	2.11
Total cash and cash equivalents	**484.04**	**484.04**

2. Changes in Liabilities arising from Financing activities

(Rs. in Lakhs)

Particulars	As at March 31, 2018	Proceeds raised/ Adjustments	Repayment/ Adjustments	As at March 31, 2019
Long Term Borrowings				
- From Bank	16,523.56	-	(4,668.85)	11,854.71
- From others	470.50	-	(416.01)	54.49
- From bodies corporate	3,588.38	0.39	(1,878.09)	1,710.68
Short Term Borrowings				
- From Bank	22,241.66	1,290.84	-	23,532.50
- From bodies corporate	8.00	-	(8.00)	-
Total	**42,832.10**	**1,291.23**	**(6,970.96)**	**37,152.38**

3. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

4. The Group has incurred Rs.111.99 lakhs on account of Corporate Social Responsibility (CSR) Expenditure during the year ended March 31, 2019 (Previous year Rs.81.83 lakhs)

Accompanying Notes on Financial Statements 1 - 46

These notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

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

(a) Equity Share Capital

Particulars	Rupees in Lakhs
Balance as at March 31, 2017	2,250.86
Changes during the year	-
Balance As at March 31, 2018	2,250.86
Changes during the year	-
Balance as at March 31, 2019	2,250.86

(b) Other Equity (Rs. in Lakhs)

Particulars	Reserves and Surplus				Attributable to the owner of the parent	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
Balance as at 31st March 2017	13,962.31	16,682.97	2,207.29	20,561.13	53,413.70	53.59	53,467.29
Payment of dividends	-	-	-	(22.51)	(22.51)	-	(22.51)
Tax on dividends	-	-	-	(4.58)	(4.58)	-	(4.58)
Profit for the year	-	-	-	5130.60	5,130.60	12.26	5,142.86
Other Comprehensive Income for the year arising from Re-measurement of defined benefit obligation (net of income tax)	-	-	-	32.19	32.19	0.15	32.34
Adjustment for change in ownership interest				408.89	408.89	-	408.89
Forfeiture of Warrants convertible to Equity Shares	417.17	-	-	-	417.17	-	417.17
Balance As at 31st March 2018	**14,379.48**	**16,682.97**	**2,207.29**	**26,105.72**	**59,375.46**	**66.00**	**59,441.46**
Payment of dividends	-	-	-	(45.01)	(45.01)	(4.80)	(49.81)
Tax on dividends	-	-		(10.76)	(10.76)	(0.98)	(11.74)
Profit for the year	-	-	-	4,168.57	4,168.57	10.73	4,179.30
Other Comprehensive Income for the year arising from Re-measurement of defined benefit obligation (net of income tax)	-	-	-	19.67	19.67	1.29	20.96
Balance As at 31st March 2019	**14,379.48**	**16,682.97**	**2,207.29**	**30,238.19**	**63,507.93**	**72.24**	**63,580.17**

Refer Note No. 16 for nature and purpose of reserves

Accompanying Notes on Financial Statements 1 - 46

These notes are an integral part of the Standalone Financial Statements.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary

Notes to the Consolidated Financial Statements

Note 1

A. Corporate Information

BMW Industries Limited ('the Company'), a public limited company, is incorporated at Kolkata, in the State of West Bengal. The corporate office as well as registered office of the Company is situated at 119 Park Street, White House, 3rd Floor, Kolkata, West Bengal- 700016. The Company is primarily engaged into manufacturing, processing and selling of steel products comprising of engineering and other products and services and activities related to the same. The Company's shares are listed on The Calcutta Stock Exchange Limited (CSE) and The Bombay Stock Exchange Limited (BSE).

The Consolidated financial statements for the year ended March 31, 2019 were approved for issue by the Board of Directors of the company on May 30, 2019 and are subject to the adoption by the Shareholders in the ensuing Annual General Meeting.

The consolidated financial statements relate to BMW Industries Limited (hereinafter referred to as 'the Holding Company') and its Subsidiaries (collectively hereinafter referred to as ' Group') as detailed below:

Investment in Subsidiaries

Name of subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company	
			As at 31.03.2019	As at 31.03.2018
Sail Bansal Service Centre Limited	Processing of Steel	India	60.00%	60.00%
Confident Financial Consultancy Private Limited	Investment	India	100.00%	100.00%
Perfect Investment Consultancy Private Limited	Investment	India	100.00%	100.00%
Sidhant Investment Advisory Private Limited	Investment	India	100.00%	100.00%
Sidhi Vinayak Comosales Private Limited	Investment	India	100.00%	100.00%
Shri Hari Vincom Private Limited	Investment	India	100.00%	100.00%
Narayana Dealcom Private Limited	Investment	India	100.00%	100.00%
Fairplan Vintrade Private Limited	Investment	India	100.00%	100.00%
Nageshwara Tradelink Private Limited	Investment	India	100.00%	100.00%

B. Statement of Compliance and Recent Accounting Pronouncements

i) Statement of Compliance

These Consolidated financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 to the extent notified and applicable excepting as stated in Note No. 4.2 relating to fair valuation of investments held by the certain Subsidiary Companies.

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

ii) Application of new and revised standards

(i) Ind AS 115- Revenue from Contracts with Customers: With effect from 1st April, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up method.

(ii) Appendix B to Ind AS 21- "Foreign Currency Transactions and Advance Consideration and Ind AS 12- Income Taxes have been revised with effect from 1st April, 2018.

The application of Ind AS 115 and revisions/amendments in other standards do not have any material impact on the financial statements.

iii) Recent Pronouncements

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, Leases and Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', which are applicable with effect from financial period ending on or after April 1, 2019.

Standards issued but not yet effective:

Ind AS 116 - Leases

Ind AS 116 will affect the accounting of lessees primarily by removing the current distinction between operating and finance leases. This requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals over the period all lease contracts. An optional exemption exists for short-term and low-value leases.

Notes to the Consolidated Financial Statements

The statement of profit and loss will also be affected because the expense in the earlier years of a lease is expected to be higher.

Presently, the Group is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements.

Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'

The appendix explains the recognition and measurement of deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.

Presently, the Group is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements.

C. Significant Accounting Policies

a. Basis of Preparation

The Consolidated Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IND AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

b. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

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

(b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

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

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

c. Consolidation Procedure

The Consolidated Financial Statements have been prepared in accordance with principles laid down in Ind AS 110 on "Consolidated Financial Statements" as notified vide Companies (Accounting Standards) Rules, 2015 (as amended).

Subsidiaries

i. Subsidiaries are entities over which the Group has control and the Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its:

  a. Power over the investee

  b. Exposure or rights to variable returns from its involvement with the investee

  c. The ability to use its power over the investee to affect its returns

Subsidiaries are consolidated from the date control over the subsidiary is acquired and they are discontinued from the date of cessation of control.

ii. The Group combines the financial statements of the Holding and its subsidiaries based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction have been eliminated.

iii. The consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.

Notes to the Consolidated Financial Statements

iv. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve as the case may be. The said goodwill is not amortised, however it is tested for impairment at each balance sheet date and impairment loss, if any is recognised in the consolidated financial statements.

v. Non-controlling interest's share of net profit of subsidiaries for the year is identified and adjusted against the revenue of the Group in order to arrive at the net revenue attributable to the owners of the Holding Company. The excess of loss for the year over the non-controlling interest is adjusted in owner's interest.

vi. Non-controlling interest's share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Holding Company's shareholders.

vii. A change in ownership interest of a subsidiary which does not result in a loss of control, is accounted for as an equity transaction.

viii. If the Group loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost, with the resulting gain/ loss recognised in the statement of Profit & Loss.

Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Holding Company's owners.

Non-controlling interests are initially measured at proportionate share on the date of acquisition of the recognised amounts of the acquiree 's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the proportionate share of subsequent changes in equity.

Business Combination and Goodwill

The Group except for combination of group entities which are under common control applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

In case of combination of entities under control, business combination are accounted for under pooling of interest method whereby the assets and liabilities are combined at the carrying amount and no adjustments are made to reflect their fair values or recognise any new assets or liabilities.

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 combination 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.

d. Property Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Interest on Borrowings utilised to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be used for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and attributable borrowing cost. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

Depreciation and Amortization

Depreciation on Property, Plant and Equipment commences when the assets are ready for their intended use.

Depreciation on Property, Plant and Equipment is provided as per the useful life specified under Schedule II of the Companies Act, 2013 on Straight Line Method. Subsequent additions to the cost of Property, Plant and Equipment are depreciated over the remaining life of mother asset.

No depreciation is charged on Freehold land.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the estimated useful lives of assets for the current period are as follows:

Category	Useful Life in years
Buildings	30
Plant and Equipment	3-30
Furniture and fixtures	3-20
Vehicles	6-15
Computer	3-15

The residual value of an item of Property, Plant and Equipment has been kept at 5 percent or less of the cost of the respective assets.

Depreciation methods, Useful lives and Residual values are reviewed and adjusted as appropriate, at each reporting date.

e. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages are amortized over a period of 5 years on a straight line basis.

Amortization methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

f. De-recognition of Tangible and Intangible assets

An item of Property, Plant and Equipment and Intangible assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

g. Non-current assets held for sale

Non current asset or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

h. Leases

Leases are classified as finance leases whenever in terms of the lease, substantially all the risks and rewards incidental to the ownership of an asset to the Group are transferred to the lessee. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Any initial direct costs of the lessee are added to the amount recognised as an asset. Each lease payments are apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognised as expenses on a straight-line basis over the term of the lease unless the lease arrangements are structured to increase in line with expected general inflation or another systematic basis which is more representative

Notes to the Consolidated Financial Statements

of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

i. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

j. Financial Instruments - Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the Group or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (referred to as "FVTPL") or at Fair Value Through Other Comprehensive Income (referred to as "FVTOCI") depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

1) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash and cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

2) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets 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 are measured at amortized cost.

The Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (referred to as "EIR") method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortized cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3) Financial Asset or Financial Liabilities at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

4) Financial Assets or Financial Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which does not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

5) Impairment of financial assets

The Group evaluates whether there is any objective evidence that financial assets measured at amortize costs including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the parties to make required payments. The Group bases the estimates on the ageing of the receivables, credit-worthiness of the receivables and historical write-off experience and variation in the credit risk on year to year basis.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The Group measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the Group measures the loss allowance at an amount equal to lifetime expected credit losses where maximum contractual period is considered over which the group is exposed to credit risks.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortized costs are deducted from the gross carrying amount of the assets.

6) Derecognition of financial instruments

The Group derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset' s carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Group's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

7) Derivative financial instruments and hedging activities

The Group enters into derivative financial instruments being foreign exchange forward to mitigate the risk of changes in foreign exchange rates in respect of financial instruments. The Group uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Group. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognized in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Statement of profit and loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss.

When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

k. Inventories

Inventories are valued at lower of the cost or estimated net realisable value.

Notes to the Consolidated Financial Statements

The cost in respect of raw materials is determined on First in First out basis (FIFO) and in respect of Finished Goods and Stores and Spares determined on Weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials and stores and spares includes the taxes other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of Finished goods represents prime cost and appropriate portion of overheads.

Stock of Work in Progress includes conversion or processing costs of material pending completion and delivery to the customer.

By-product and scrap is valued at net realisable value.

l. Foreign Currency Transactions

1) Presentation Currency

The Consolidated financial statements are presented in Indian Rupees (Rs.), the National Currency of India, which is the functional currency of the Group.

2) Transactions and Balances

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

m. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

n. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the Consolidated financial statements 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 Group or when there is 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 same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Consolidated Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

o. Employee Benefits

Short Term Employee benefits: They are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Defined Contribution Plan: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the Group are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the Group and employee contribute monthly to Provident Fund Scheme the Central Government at a determined rate. The Group's contribution is charged off to the Statement of Profit and Loss.

Defined benefit Plan: Employee benefits under defined benefit plans are recognised based on the present value of the defined benefit obligation determined by actuarial valuation techniques using the projected unit credit method at the close of each year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not classified to the statement of Profit and Loss in subsequent periods. Other costs are recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

Notes to the Consolidated Financial Statements

p. Revenue Recognition

1. Revenue from Operations

Revenue is measured based on the considerations specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and /or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the Group has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discounts and rebates collected, if any, are deducted there from sales.

2. Other Income

Interest, Dividend and Claims:

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Revenue in respect of claims of insurance, etc. are recognized only when there is reasonable certainty as to the ultimate collection.

q. Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

r. Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to Statement of Profit and Loss Account under "Other Income"or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise to acquire non-current assets are recognized as Deferred Income and disclosed under Non Current Liabilities and transferred to Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.

s. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

t. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

u. Segment Reporting

The Group has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

Notes to the Consolidated Financial Statements

D. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Consolidated financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidates Financial Statements and reported amounts of revenues and expenses during the period. 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. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the Consolidated financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

a. Arrangements containing leases and classification of leases

The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

b. Depreciation / amortization of and impairment loss on property, plant and equipment / intangible assets.

Property, plant and equipment are depreciated and intangible assets are amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The Group reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units' (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre–tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change in such expenses in future periods.

c. Impairment loss on trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

d. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

e. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

f. Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to the Consolidated Financial Statements

2. Property Plant and Equipment

(Rs. in Lakhs)

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total
(A) Gross Carrying Amount						
As at March 31, 2017	884.41	6,945.31	49,162.07	237.39	1,837.45	59,066.63
Additions	105.26	174.44	2,090.91	80.04	151.94	2,602.59
Disposal / Adjustments	-	-	(647.74)	(3.80)	(12.03)	(663.57)
Reclassified as held for sale	(37.56)	(79.91)	(131.72)	(0.07)	(0.23)	(249.49)
Other Adjustments	-	(43.56)	528.91	-	-	485.35
As at March 31, 2018	952.11	6,996.28	51,002.43	313.56	1,977.13	61,241.51
Additions	-	720.02	566.74	13.43	60.09	1,360.28
Disposal / Adjustments	-	-	(50.29)	-	(10.68)	(60.97)
As at March 31, 2019	952.11	7,716.30	51,518.88	326.99	2,026.54	62,540.82
(B) Accumulated Depreciation						
As at March 31, 2017	-	284.52	3,739.85	40.15	317.15	4,381.67
Charge for the period	-	284.04	4,171.40	39.28	325.44	4,820.16
Disposal / Adjustments	-	-	(69.42)	-	-	(69.42)
Reclassified as held for sale			(0.02)	(0.02)	(0.06)	(0.10)
Other Adjustments	-	-	503.48	(0.32)	-	503.16
As at March 31, 2018	-	568.56	8,345.29	79.09	642.53	9,635.47
Charge for the period		318.82	3,986.34	42.77	325.48	4,673.41
Disposal / Adjustments	-	-	(11.33)	-	(7.96)	(19.29)
As at March 31, 2019	-	887.38	12,320.30	121.86	960.05	14,289.59
(C) Net Carrying Amount (A-B)						
As at March 31, 2018	952.11	6,427.72	42,657.14	234.47	1,334.60	51,606.04
As at March 31, 2019	952.11	6,828.92	39,198.58	205.13	1,066.49	48,251.23

Notes:

2.1 Refer Note No. 17.1 and 22.1 to Consolidated financial statement in respect of charge created on Property, Plant and Equipment against borrowings.

3. Intangible Assets

(Rs. in Lakhs)

	Computer Software
(A) Gross Carrying Amount	
As at March 31, 2017	19.39
Additions	-
Disposal	-
As at March 31, 2018	19.39
Additions	3.75
Disposal	-
As at March 31, 2019	23.14
(B) Accumulated Amortisation	
As at March 31, 2017	6.47
Charge for the period	6.46
As at March 31, 2018	12.93
Charge for the period	6.92
As at March 31, 2019	19.85
(C) Net Carrying Amount (A-B)	
As at March 31, 2018	6.46
As at March 31, 2019	3.29

Notes to the Consolidated Financial Statements

4 Non Current Investments

(Rs. in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	Amount	No. of Shares	Amount
Investments measured at Fair Value through Other Comprehensive Income				
In equity Instruments				
Unquoted				
In Bodies Corporate		7,687.28		7,864.03
		7,687.28		**7,864.03**
4.1 Aggregate amount of unquoted investments		7,687.28		7,864.03

4.2 Investment in Bodies Corporate respresents investments made by certain subsidiaries details whereof and resultant fair valuation are pending compilation. As such, required disclosure and the fair valuation in terms of Ind AS 109, "Financial Instruments", has not been carried out and the same, therefore has been carried at cost.

5 Other Financial Assets- Non Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At amortised cost			
(a) Security Deposits		525.15	77.28
(b) Fixed Deposit with Bank (having maturity more than 12 months)	5.1	159.32	70.05
(c) Grant Receivable	5.2	90.00	180.00
		774.47	**327.33**

Notes:

5.1 Kept as lien against Bank Guarantee and letter of Credit

5.2 Nature and Extent of Grant

Represents grant of Rs.450 Lakhs approved on 29th October 2015 for investment in Plant and Machinery in Jamshedpur under capital promotion incentive scheme. As per the terms of the scheme, 20% of the grant amount will be received by the company for 5 years starting from 2016-2017.

6 Other Non Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Capital Advance		1,897.54	1,679.74
(b) Prepayments		247.42	295.83
(c) Deferred Loss on fair valuation of Financial instruments		0.69	28.22
		2,145.65	**2,003.79**

7 Inventories (Valued at lower of cost or Net realisable Value)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Raw materials		9,477.13	11,175.81
(b) Finished goods		6,424.26	6,726.18
(c) Work in Progress		2,977.44	2,880.63
(d) Stores and Spares		2,228.27	1,764.07
		21,107.10	**22,546.69**

Notes:

7.1 Refer Note No. 17.1 and 22.1 to consolidated financial statement in respect of charge created on Inventories against borrowings.

7.2 Cost of Inventory recognised as expense during the year amounted to Rs.65,628.97 Lakhs (March 31, 2018- Rs.78,442.44 Lakhs)

8 Current - Trade Receivables

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Trade Receivables-Unsecured		21,190.23	21,541.76
		21,190.23	**21,541.76**

Notes to the Consolidated Financial Statements

8 Current - Trade Receivables *(contd.)*

Notes:

8.1 Trade Receivables are non interest bearing and are generally on credit terms of 30 to 90 days. The ageing of Trade Receivables are as follows:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Within the credit period		15,407.96	20,726.38
1-180 days past due		500.88	197.62
More than 180 days past due		5,281.39	617.76
Total		**21,190.23**	**21,541.76**

8.2 Refer Note No. 17.1 and 22.1 to Consolidated financial statement in respect of charge created on Trade Receivable against borrowings.

8.3 The group has reviewed its account receivable based on the financial condition of the customer after considering the current economic environment on case to case basis. Based on such review, there does not exist such circumstances requiring any impairment in these Consolidated Financial Statements.

The concentration of credit risks in respect of manufactured goods sold is limited due to customer base being backed by large number of unrelated parties. In respect of services provided, the Group's significant revenues are derived from one customer which is a well established public limited company in India and therefore concentration of credit risk is limited.

9 Cash and cash equivalents

(As certified by the management) (Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Balances with banks			
In Current accounts		261.09	51.79
In Cash Credit Accounts		-	20.56
in Fixed Deposit (having original maturity of less than 3 months)	9.1	19.83	-
in dividend account	9.2	0.07	8.27
(b) Cheques on hand		200.94	-
(C) Cash on hand		2.11	-
		484.04	**80.63**

Note:

9.1 Kept as lien against letter of Credit, etc.

9.2 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

10 Other Bank balances

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Fixed Deposit with Bank (having original maturity of more than 3 months and less than 12 Months)	10.1	874.37	961.41
		874.37	**961.41**

Notes:

10.1 Includes amount kept as lien Against: (Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Bank Guarantee/Letter of credit		464.18	576.04
Borrowing		410.19	385.37
		874.37	**961.41**

11 Loans

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Loans to employees		110.48	124.33
(b) Loans to bodies corporate	11.1	5,843.40	5,762.69
		5,953.88	**5,887.02**

11.1 Represents Loan granted for Business Purpose

Notes to the Consolidated Financial Statements

12 Other Financial Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(Unsecured, Considered good unless otherwise stated)			
At Amortised Cost			
(a) Security Deposit		37.88	-
(b) Grant Receivable	5.2	92.00	90.00
(c) Interest accured on Deposits		4.54	-
		134.42	**90.00**

13 Other Current Assets

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Advances other than Capital advances			
(a) Advances against goods and services		7,681.35	4,054.69
(b) Advance to related parties		-	218.28
(c) Balances with government authorities		5.03	186.40
(d) Prepaid expenses		42.93	14.73
(e) Prepayments		33.37	33.36
(f) Surplus in Gratuity Fund	13.1	20.02	5.81
(g) Deferred Loss on fair valuation of Financial instrument		0.87	1.57
		7,783.57	**4,514.84**

Notes:

13.1 Surplus in Gratuity Fund represents balance available with Employee Gratuity Fund under Group Gratuity Cash Accumulation (GGCA Schemes) in one of the subsidiary company which has discontinued the annual contribution under the said scheme since earlier years. During the year, the said subsidiary Company has recognised the interest income of Rs.14.21 Lakhs accrued on the balance available with the said fund.

14 Assets classified as held for sale

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Investment in equity instruments of a subsidiary	14.1	305.22	305.22
		305.22	**305.22**

14.1 The Holding Company entered into a Share Purchase Agreement (SPA) on 04th April, 2017 inter-alia with M/S Anand Itta Bhata Udyog Private Limited for sale of its entire shareholding in Bansal Nepal Private Limited, subsidiary of the company consisting of 508693 equity shares of Rs.60/- each subject to compliance and completion of the formalities under the Foreign Exchange Management Act and the conditions precedent in terms of the Sale Purchase Agreement. Consequently, the said investments has been classified as held for sale at its realisable value.

15 Equity Share Capital

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Authorised:			
500,000,000 Equity Shares of Re.1 each (Previous Year 500,000,000 shares of Re.1 each)		5,000.00	5,000.00
		5,000.00	**5,000.00**
Issued, Subscribed and fully paid up:			
225,086,460 Equity Shares of Re.1 each (Previous Year 225,086,460 shares of Re.1 each)		2,250.86	2,250.86
		2,250.86	**2,250.86**

Notes:

15.1 The company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

15.2 There has been no changes/movements in number of shares outstanding at the beginning and at the end of the reporting period.

Notes to the Consolidated Financial Statements

15 Equity Share Capital *(contd.)*

15.3 Shareholders holding more than 5% equity shares

Name of Equity Shareholders	Number of Equity Shares Held	
	As at 31.03.2019	As at 31.03.2018
Ram Gopal Bansal	35750000	35750000
Harsh Kumar Bansal	18447250	18447250
Vivek Kumar Bansal	14022080	14022080

16 Other Equity

(Rs. in Lakhs)

Particulars		Note No.	As at 31.03.2019	As at 31.03.2018
(a)	Capital Reserve	16.1	14,379.48	14,379.48
(b)	Securities Premium	16.2	16,682.97	16,682.97
(c)	General Reserve	16.3	2,207.29	2,207.29
(d)	Retained earnings	16.4	30,238.19	26,105.72
			63,507.93	**59,375.46**

Notes:
Refer Statement of Changes in Equity for movement in balances of Reserves.

16.1 Capital Reserve

Capital Reserve comprises of:

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Government Grant Received		15.00	15.00
Forfeiture of Warrants convertible into Equity Shares		417.17	417.17
Capital Reserve on Consolidation		13,947.31	13,947.31
		14,379.48	**14,379.48**

16.2 Securities Premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

16.3 General Reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

16.4 Retained Earnings

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the Group and includes remeasurement gain/losses on defined benefit obligations. This includes Rs.Nil (March 31, 2018: Rs.102.79 Lakhs) which is not available for distribution as these are represented by changes in carrying amount of Property, Plant and Equipment being measured at fair value as on the date of transition as Deemed Cost.

17 Borrowings

(Rs. in Lakhs)

Particulars		Note No.	As at 31.03.2019		As at 31.03.2018	
			Non current	Current	Non current	Current
At Amortised Cost						
A	Secured					
(a)	Term loans					
	From banks					
	- Rupee Loan	17.1.1 & 17.2	3,740.83	2,929.31	6,648.02	2,823.24
	- Foreign Currency Loan	17.1.2	2,083.38	2,559.38	4,365.74	1,781.75
	From Others		-	-	-	375.00
(b)	Vehicle Loan		-	-	-	-
	From banks	17.1.3	119.06	422.75	538.63	366.18
	From Others	17.1.4	29.97	24.52	64.54	30.96
			5,973.24	**5,935.96**	**11,616.93**	**5,377.13**
B	Unsecured					
	From Bodies Corporate	17.1.5	1,710.68	-	3,588.38	-
			1,710.68	-	**3,588.38**	-
Total			**7,683.92**	**5,935.96**	**15,205.31**	**5,377.13**

Notes to the Consolidated Financial Statements

17 Borrowings *(contd.)*

17.1 Nature of Security

17.1.1.A Rupee Term Loan of Rs.6,670.14 lakhs (P.Y Rs.9,436.58 lakhs) taken by the Holding Company is secured primarily by 1st charge on the fixed assets of the company's Unit at Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future and secured by First charge on all fixed assets located at GT Road both present and future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries and other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 0.35% to 2.25% above Bank Rate

17.1.1.B Rupee Term Loan of Rs.Nil (P.Y Rs.34.68 lakhs) taken by Subsidiary Company is secured by 1st hypothecation charge of all the current assets (including raw materials, work in progress, finished goods and sundry debtors) of the steel service centre. Collaterally secured by second mortgage charge on all fixed assets of the Subsidiary (including land and building, plant and machinery, both present and future) of the Steel service centre of the subsidiary situated at Bokaro, Jharkhand both present and future. This is further secured by personal guarantee of one of the directors of the Subsidiary and Corporate guarantee of the Holding Company. Rate of interest being 3.5% above Base Rate.

17.1.1.C Rupee Term Loan is repayable as follow

Financial Year	Rupees in Lakhs
2019-2020	2,914.25
2020-2021	3,054.18
2021-2022	752.70
Total	**6,721.13**

17.1.2 Secured primarily by 1st charge on the fixed assets of the Holding company's Unit Gamharia situated in Jharkhand (existing as well as that of the Proposed Project) for both present and future by way of equitable mortgage of the immovable assets and hypothecation of Plant and Machineries and Other movable fixed assets. Further secured by personal guarantee of the three directors of the Company. Rate of interest being 300 basis point above 6 month LIBOR and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	2,559.38
2020-2021	2,083.38
Total	**4,642.76**

17.1.3 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 9.25% to 10.25% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	422.75
2020-2021	119.06
Total	**541.81**

17.1.4 Secured by hypothecation of vehicles and other machinery acquired there against. Rate of interest being ranges from 7.65% to 9.15% and is repayable at unamortised cost as follows:

Financial Year	Rupees in Lakhs
2019-2020	24.52
2020-2021	29.97
Total	**54.49**

17.1.5 Interest free Unsecured Loan at unamortised cost outstanding as on March 31, 2019 is payable as per the repayment schedule as follows:

Financial Year	Rupees in Lakhs
2023-2024	143.05
2024-2025	1,918.09
2025-2026	650.00
Total	**2,711.14**

17.2 Details of Default of Term Loan in respect of one of the subsidiary company as at 31st March, 2019 (Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Principal Overdue	17.2.1	-	15.97

17.2.1 C.Y. -Nil (P.Y.- Overdue from 31st March 2018 to 3rd April 2018.)

Notes to the Consolidated Financial Statements

18 Non Current - Other Financial Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
At Amortised Cost			
Security Deposit		1,270.15	-
		1,270.15	**-**

19 Non Current-Provision

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	19.1	234.82	244.11
		234.82	**244.11**

Notes:

19.1 For other disclosures, refer Note 41

20 Deferred Tax Liabilities (Net)

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2019 are given below: (Rs. in Lakhs)

2018-19	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Other adjustments (Refer Note 20.3)	Closing Balance
Deferred Tax Assets					
Defined benefit obligation	17.16	(77.45)	10.76	-	83.85
Mat Credit entitlement	2,787.87	802.81	-	-	1,985.06
Lease Rentals and Others	(77.06)	(160.13)	-	-	83.07
Brought Forward Unabsorbed Depreciation	78.39	-	-	-	48.71
Fair valuation of Financial Instruments	-	(85.41)	-	-	85.41
Total Deferred Tax Assets	**2,806.36**	**509.50**	**10.76**	**-**	**2,286.10**
Deferred Tax Liabilities					
Property, plant and equipment	7,097.65	378.19	-	-	7,475.84
Others	0.01	(0.01)	-	-	-
Lease Rentals and Others			-	-	-
Total Deferred Tax Liabilities	**7,097.66**	**378.18**	**-**	**-**	**7,475.84**
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,291.30**	**887.68**	**10.76**		**5,189.74**
Disclosed as					
Deferred Tax Assets	41.44				22.46
Deferred Tax Liabilities	4332.74				5212.20
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,291.30**				**5,189.74**

Components of Deferred tax (Assets)/ Liabilities as at March 31, 2019 are given below: (Rs. in Lakhs)

2018-19	Opening Balance	Charges/ (Credit) recognised in the Statement of Profit and Loss	Charges/ (Credit) recognised in the Other Comprehensive Income	Other adjustments (Refer Note 20.3)	Closing Balance
Deferred Tax Assets					
Defined benefit obligation	34.26	(0.17)	17.27		17.16
Mat Credit entitlement	2,787.87	-	-		2,787.87
Brought Forward Unabsorbed Depreciation	99.19	20.80	-		78.39
Total Deferred Tax Assets	**2,921.32**	**20.63**	**17.27**		**2,883.42**
Deferred Tax Liabilities					
Property, plant and equipment	7,138.58	(40.93)	-		7,097.65
Lease Rentals	71.86	5.20	-		77.06
Others	16.88	(0.09)		(16.78)	0.01
Total Deferred Tax Liabilities	7,227.32	(35.82)	-		7,174.72
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,306.00**	**(15.19)**	**17.27**	**(16.78)**	**4,291.30**
Disclosed as					
Deferred Tax Assets	45.89				41.44
Deferred Tax Liabilities	4351.89				4332.74
NET DEFERRED TAX (ASSETS)/ LIABILITIES	**4,306.00**				**4,291.30**

Notes to the Consolidated Financial Statements

20 Deferred Tax Liabilities (Net) *(contd.)*

20.1 Deferred tax Asset on account of timing differences with respect to depreciation has been considered and recognised in the accounts in respect of one of the Subsidiary Company.

20.2 During the previous year, investment in subsidiary company, Bansal Nepal Private Limited has been classified as held for sale (Refer Note. No. 14.1). The same has resulted in reversal of deferred tax liability of that company.

20.3 Deferred tax assets and liabilities have been adjusted when these pertain to the same legal entity and thereby net deferred tax assets/ liabilities have been disclosed as follows:

(Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Consolidated Net Deferred Tax Liabilities	5,212.20	4,332.74
Consolidated Net Deferred Tax Assets	-22.46	-41.44
Consolidated Net Deferred Tax Liabilities/(Assets)	5,189.74	4,291.30

21 Other Non Current Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Deferred gain on fair valuation of financial instrument		1,397.84	2,311.63
(b) Deferred revenue arising from Government Grants		298.22	332.50
		1,696.06	**2,644.13**

22 Borrowings

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Secured			
From Banks			
Cash credit/Working capital facilities repayable on demand	22.1	21,425.02	20,104.96
UnSecured			
From Bank			
Cash credit/Working capital facilities repayable on demand	22.2	2,107.48	2,136.70
Loan from Bodies Corporate-interest free		-	8.00
		23,532.50	**22,249.66**

22.1 Cash credits from banks are secured by hypothecation of current assets including inventories and book debts and collateral security of pari pasu charge over fixed assets of the Holding Company and guaranteed by three directors of the Holding Company.

22.2 Unsecured Borrowings are guaranteed by three directors of the Holding Company.

23 Trade payables- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of Micro Enterprise and Small Enterprises	23.1	-	-
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprises		4,066.30	6,413.78
		4,066.30	**6,413.78**

23.1 There are no dues to Micro and Small enterprises as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group.

23.2 Trade payables are non-interest bearing and are normally settled on 30 to 120 day terms.

24 Other financial liabilities- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Financial Liabilities at amortised cost			
Current maturities of long-term debts	17	5,935.96	5,377.13
(b) Security Deposit		99.50	-
(c) Liabilities for Capital Goods			-
Total outstanding dues of micro enterprise and small enterprises	24.1	-	-
Total outstanding dues of Creditors other than micro enterprise and small enterprises		525.88	-
(d) Unpaid dividend		0.07	8.28
(e) Fair Value of Foreign Exchange Forwards (Refer Note 43)		26.08	-
(f) Others - Employees related Liabilities, Liabilities for Expenses, etc.		763.80	747.75
		7,351.29	**6,133.16**

Notes to the Consolidated Financial Statements

24 Other financial liabilities- Current *(contd.)*

Note

24.1 There are no dues to Micro and Small enterprises with regard to the supplier of capital goods as at 31st march, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group.

25 Other Current liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
(a) Advances received from customers		657.59	20.72
(b) Statutory Dues (GST, service tax, sales tax, TDS etc.)		702.28	66.52
(c) Deferred gain on fair valuation of financial instruments		321.63	413.08
(d) Deferred revenue arising from Government Grants		34.28	34.28
		1,715.78	**534.60**

26 Provisions- Current

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for employee benefits	26.1	6.72	20.31
Others		0.22	-
		6.94	**20.31**

26.1 For other disclosures, refer Note 41

27 Current Tax Liability (Net)

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax (Net of Advance Tax)		404.54	459.01
		404.54	**459.01**

28 Revenue from Operations

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Sale of Products		36,119.64	53,528.18
(b) Conversion Income		38,717.83	38,468.04
(c) Other Services		-	-
(d) **Other Operating Revenue**			
Transportation Charges, Supervision & Services		7,827.33	2,833.09
Others- Brokerage		199.34	
		82,864.14	**94,829.31**

Notes

28.1 Disaggregation of Revenue

Revenue based on Geography

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Domestic		82,848.22	93,897.59
Export		15.92	931.72
Total		**82,864.14**	**94,829.31**

28.2 Goods and Service Tax ("GST") has been implemented with effect from 1st July, 2017 and therefore, revenue from operations for the year ended 31st March 2019 is net off GST. Revenue from Operations and expenses for the period 1st April 2017 to 30th June 2017 included under the year ended 31st March 2018 being inclusive of Excise Duty are, therefore, not comparable.

Notes to the Consolidated Financial Statements

29 Other Income

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Interest Income			
- Financial Instruments measured at amortised Cost	29.1	1,780.63	413.83
- on deposits		233.81	86.61
Other non-operating income (net of expenses directly attributable to such income)			
(b) Government Grant		34.28	34.28
(c) Profit on sale of Property, Plant and Equipment		133.79	552.04
(d) Liabilities no longer required written back		233.14	301.40
(e) Miscellaneous Income		242.55	181.77
		2,658.20	**1,569.93**

29.1 includes Rs.1,489.48 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,750.20 Lakhs in this respect have been shown under Interest Expenses. (Refer Note 33.1)

30 Cost of Materials Consumed

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Raw Materials Consumed		47,183.58	55,000.89
		47,183.58	**55,000.89**

31 Changes in stock of finished goods, stock in trade and work-in-progress

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Opening Stock			
Finished Goods		6,726.18	4,916.29
Work in Progress		2,880.63	2,877.63
Scrap		-	1.35
		9,606.81	**7,795.27**
Less: Closing Stock			
Finished Goods		6,424.26	6,726.18
Work in Progress		2,977.44	2,880.63
Scarp		-	-
		9,401.70	**9,606.81**
(Increase)/ Decrease in Inventories of Finished goods, Stock-in - Trade and Work-in-Progress		**205.11**	**(1,811.54)**

32 Employee benefits expense

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Salaries and wages		2,273.76	1,783.30
(b) Contribution to provident fund	41	96.73	160.63
(c) Staff welfare expenses		296.10	490.77
		2,666.59	**2,434.70**

33 Finance Costs

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Expense	33.1	5,627.28	4,673.72
		5,627.28	**4,673.72**

33.1 includes Rs.1,750.20 Lakhs (Previous Year Rs.Nil) arising due to fair value adjustments on prepayments of certain non-current borrowings during the year. Correspondingly, Rs.1,489.48 Lakhs in this respect have been shown under Other Income. (Refer Note 29.1)

Notes to the Consolidated Financial Statements

34 Depreciation and Amortisation Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Depreciation on Tangible Assets	2	4,673.41	4,820.16
Amortisation on Intangible Assets	3	6.92	6.46
		4,680.33	**4,826.62**

35 Other Expenses

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Consumption of stores and spares		3,317.55	3,074.03
Power and Fuel		5,522.54	5,344.98
Rent	35.1	294.88	252.19
Repairs and Maintenance to Machinery		241.36	168.56
Repairs and Maintenance to Building		26.75	15.55
Amortization of Leasehold Prepayment		5.41	5.41
Rates and Taxes	35.2	100.39	1,594.55
Transportation Charges Paid		1,839.23	2,164.31
Directors' Remuneration		397.06	364.46
Carriage inward		484.98	509.62
Excise duty paid and on stock		-	314.50
Auditor's Remuneration	35.3	32.31	18.50
Loss on Investment in Subsidiary held for sale		-	12.72
Irrecoverable Balances written off	35.4	1,435.16	-
Exchange Difference Loss		435.64	33.78
Miscellaneous expenses	35.5	3,919.40	3,028.55
		18,052.66	**16,901.71**

35.1 Operating lease disclosures

The Company has certain operating lease arrangements for factory land with tenure extending upto 30 years. Terms of such lease arrangement include escalation clause for rent whereby the rent for the aforementioned lease is liable to be doubled after 4 years and thereafter may be revised after every 10/20 years in accordance with the rules framed by the Government of Jharkhand or the lessor. There are no restrictions imposed by lease agreements. There are no sub lease. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit and Loss amounts to Rs.21.24 lakhs (P.Y.-Rs.21.24 lakhs)

The Total of future minimum lease payments under Non Cancellable Operating Lease for each of the following periods: (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Not later than one year	1.33	0.67
(ii) Later than one year and not later than five years	6.65	5.32
(iii) Later than five years	28.71	31.37

35.2 Includes Rs.Nil (previous year Rs.1,436.89 lakhs) being payment made to Sales Tax Authorities under Settlement of Dispute Scheme.

35.3 Auditor's Remuneration includes:

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Audit Fees		16.41	11.40
(b) Tax Audit Fees	35.3.(a)	6.20	0.20
(c) Certifications and other Services		9.70	6.90
		32.31	**18.50**

35.3(a) includes Rs.3.00 Lakhs (P.Y. : Rs.Nil) pertaining to previous year.

35.4 Includes Rs.221.11 Lakhs (P.Y. : Nil) written off in respect of Bansal Nepal Private Limited, a Subsidiary Company as mentioned in Note 14.1

35.5 Corporate Social Responsibility

Includes Rs.111.99 lakhs (P.Y. : Rs.81.93 lakhs) on account of Corporate Social Responsibility (CSR). Gross Amount required to be spent by the group during the year Rs.99.18 lakhs (P.Y. : Rs.79.75 lakhs). Also Refer Note 35.5.1 and 35.5.2.

Notes to the Consolidated Financial Statements

35 Other Expenses *(contd.)*

35.5.1 Amount Spent during the year on (Rs. in Lakhs)

Particulars	In Cash	Total Yet to Be Paid in cash	Total
(i) Construction/acquisition of any assets	NIL	NIL	NIL
(ii) On purpose other than (i) above	111.99	NIL	111.99

35.5.2 Disclosure related to Corporate Social Responsibility (CSR)

The breakup of CSR expenditure under various heads of expenses incurred is as below:- (Rs. in Lakhs)

Sl. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Animal Welfare	1.50	1.12
2	Promotion of Education including special education	73.16	41.42
3	Providing Safe Drinking Water	0.81	1.06
4	Eradication Of Hunger, Poverty & Malnutrition	25.80	29.51
5	Promoting Health care including preventive health care	9.72	8.82
6	Chief Minister Distress Relief Fund	1.00	-
	Total Amount	**111.99**	**81.93**

36 Tax Expense

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Tax Expense	2,280.46	2,057.63
	2,280.46	**2,057.63**

36.1 Components of Tax Expense (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Current tax		
in respect of the earlier year	6.11	-
in respect of the current year	1,386.67	2,072.82
Total Current tax expenses recognised in current year	**1,392.78**	**2,072.82**
Deferred tax		
in respect of the current year	887.68	(15.19)
Total deferred tax expenses recognised in current year	**887.68**	**(15.19)**
Total tax expense recognised in the Statement of Profit and Loss	**2,280.46**	**2,057.63**

36.2 Reconciliation of Income Tax Expenses for the year with accounting profit as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit before tax	6,459.76	7,200.49
Income tax expense calculated at 34.944% (P.Y. - 34.608%)	2,257.30	2,491.94
Add: Effect of Expenses that are not deductible in determining taxable profit		
Income Tax related to earlier years	6.11	-
Expenses not allowed for tax purpose	-	1.80
Depreciation provided in the books of Account	4.57	18.64
Certain expenses to be allowed on payment basis	-	28.85
Effect of fair valuation of Financial assets and Financial Liabilities	21.69	-
Other Adjustment	2.81	-

Notes to the Consolidated Financial Statements

36 Tax Expense *(contd.)*

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Less: Effect of Expense/income that are deductible/not taxable in determining taxable profit		
Depreciation as per Income Tax 1961	-	227.40
Set off of profit from brought forward unabsorbed business loss	-	20.61
Set off of profit from brought forward unabsorbed depreciation	-	1.60
Effect of lower tax rate in subsidiary	12.02	0.78
Effect of other adjustments	-	233.21
Income Tax recognised in the Statement of profit and loss	**2,280.46**	**2,057.63**

The tax rate used for reconciliations above is 30%/25% as applicable for corporate entities on taxable profits under the Indian tax laws.

36.3 Income Tax recognised in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Deferred tax (charge)/ Credit on		
Remeasurement of defined benefit obligation	(10.76)	(17.27)
Total income tax recognised in other comprehensive income	**(10.76)**	**(17.27)**
Bifurcation of the income tax recognized in Other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	(10.76)	(17.27)

36.4 Components of Other Comprehensive Income

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Items that will not be reclassified to profit or (loss)		
Remeasurement of defined benefit obligation (Net of Tax)	20.96	32.34
	20.96	**32.34**

37 Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities

(Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Claims against the Company not acknowledged as Debt		
i. Counter guarantee issued by Group to bank, in respect of bank guarantee issued	4,730.29	5,419.37
ii. Income tax demands under appeal	178.34	218.22
iii. Sales Tax Demand Under appeal	115.52	-

37.A.1 The Group's pending litigation comprises of claim against the Group and proceeding pending tax/statutory/Government authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its Consolidated Financial Statements. The Group does not expects the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of (ii) and (iii) above are dependent upon the outcome of judgments / decisions.

B. Capital and Other Commitment

(Rs. in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Capital commitments {net of advances of Rs.1,897.54 lakhs (Previous Year - Rs.1,679.74 lakhs)}	600.32	138.48

37.B.1 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, unresolved claims remains outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

38 Trade Receivables, Trade payables and advances recoverable are subject to confirmation/reconciliation and consequential adjustments, if any arising thereof. In the opinion of the management, current assets, loans and advances will have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

Notes to the Consolidated Financial Statements

39 Earnings Per Share

(Rs. in Lakhs)

	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a)	Profit after Tax for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss (Rupees In Lakhs.)	4,168.57	5,130.60
b)	Number of Equity Shares (Nos):		
	(i) Weighted average number of equity shares outstanding during the period	22,50,86,460	22,50,86,460
	(ii) Dilutive Potential Equity shares	Nil	Nil
	Nominal value per equity share (Re.)	1	1
c)	Earnings per share of Equity share of Re.1 each (in Rs.) - Basic (a/b(i))	1.86	2.28
d)	Earnings per share of Equity share of Re.1 each (in Rs.) - Diluted (a/b(i))	1.86	2.28

40 Segment Reporting

(i) The Company has one operating business segment viz, manufacturing, processing and selling of steel and steel products comprising of engineering and other products and services and all other activities are incidental to the same.

(ii) Geographical Segment

(Rs. in Lakhs)

Particulars	2018-19	2017-18
Revenue by Geographical market		
Sale of Products and Services		
- Domestic	82,848.22	93,897.59
- Export	15.92	931.72
Total	**82,864.14**	**94,829.31**
Assets		
Trade Receivable		
- Within India	21,190.23	21,541.76
- Outside India	-	-
Total	**21,190.23**	**21,541.76**

(iii) Information about Major Customer

Revenue from Conversion Income of steel and steel products include sale of service to one Public Company pertaining to the Steel sector which account for more than 10% and amounting to Rs.33,513.58 lakhs (March 31, 2018 - Rs.34,389.08 lakhs) in aggregate of the total revenue of the Group.

41 Employee Benefits

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

The Group also has certain Defined Contribution plans. Contributions are made to provident fund in India at the rate of 12% of salary of the employees covered as per the regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

As per Indian Accounting Standard 19 "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits are given below:

i) Defined Contribution Scheme

Contribution to Defined Contribution Plan, recognized for the year are as under: (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Employer's Contribution to Provident Fund	95.10	76.79

The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

Notes to the Consolidated Financial Statements

41 Employee Benefits *(contd.)*

ii) Defined Benefit Scheme

The Group has defined benefit plan comprising of gratuity. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) actuarial 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.

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
A. Change in fair value of Defined Benefit Obligation:		
Present Value of Defined Benefit Obligations as at the beginning of the year	264.42	273.82
Current Service Cost	29.10	32.91
Past Service Cost	-	1.03
Interest Cost	20.36	20.53
Benefit Paid	(40.62)	(14.26)
Actuarial (Gain) / Losses	(31.72)	(49.61)
Present Value of Defined Benefit Obligations as at the end of the year	**241.54**	**264.42**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
B. Change in Fair Value of plan Assets:		
Fair value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan assets	-	-
Contributions by the Employers	-	-
Benefit paid	-	-
Actuarial Gains/(Losses)	-	-
Fair value of plan Assets at the end of the year	**-**	**-**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
C. Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets:		
Present Value of Defined Benefit Obligations as at the end of the year	241.54	264.42
Fair value of Plan Assets at the end of the year	-	-
Liability /(Assets) recognized in the Balance Sheet	**241.54**	**264.42**

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18
D. Components of Defined Benefit Cost		
Current Service Cost	29.10	32.91
Past Service Cost	-	1.03
Interest Cost	20.36	20.53
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/ Loss on remeasurement recognized in OCI	(31.72)	(49.61)
Total Defined Benefit Cost recognized in the Statement of Profit and Loss and OCI	**17.74**	**4.86**

For Gratuity (Unfunded)	2018-19	2017-18
E. Principal Actuarial Assumptions used		
Discounted Rate (per annum) Compound	7.75%	7.70%
Salary Inflation Rate	6.00%	6.00%
Mortality Rate	IALM 2006-2008 ULTIMATE	
Attrition Rate	1.00%	1.00%
Retirement age	58 Years	60 years
Expected Rate of return on Plan Assets	NA	NA

Notes to the Consolidated Financial Statements

41 Employee Benefits *(contd.)*

(Rs. in Lakhs)

For Gratuity (Unfunded)	2018-19	2017-18	2016-17	2015-16	2014-15
F. Net Assets/(Liability) recognized in Balance Sheet (including experience adjustment impact)					
Present Value of Defined Benefit Obligations	241.54	264.42	273.82	209.24	149.74
Fair value of Plan Assets	-	-	-	-	-
Status [Surplus/(Deficit)]	241.54	264.42	273.82	209.24	149.74
Experience Adjustment on Plan Assets [Gain/(Loss)]					
Experience Adjustment on Obligation [Gain/(Loss)]					

G. Sensitivity analysis

Particulars	31.03.2019		31.03.2018	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	227.30	257.10	255.87	293.67
% Change Compared to base due to sensitivity	-5.893%	6.442%	-6.556%	7.251%
Salary Growth (-/+ 0.5%)	256.86	227.27	293.43	255.77
% Change Compared to base due to sensitivity	6.343%	-5.907%	7.161%	-6.592%
Attrition Rate (-/+ 0.5%)	242.11	240.96	273.75	273.89
% Change Compared to base due to sensitivity	-0.238%	0.241%	-0.026%	0.026%
Mortality Rate (-/+ 10%)	-	-	273.97	273.67
% Change Compared to base due to sensitivity	0.000%	0.000%	0.054%	-0.054%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

H. Estimate of expected benefit payments (In absolute terms i.e. undiscounted) (Rs. in Lakhs)

Particulars	Gratuity
01 April 2019 to 31 March 2020	6.72
01 April 2020 to 31 March 2021	12.94
01 April 2021 to 31 March 2022	12.35
01 April 2022 to 31 March 2023	6.38
01 April 2023 to 31 March 2024	15.05
01 April 2024 Onwards	111.20

I.

Particulars	As at March 31, 2019	As at March 31, 2018
Average number of people employed	633	660

42 Related Party Transactions

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Name of related parties and related party relationship:

Subsidiaries	SAIL Bansal Service Centre Limited
	Confident Financial Consultancy Private Limited
	Perfect Investment Consultancy Private Limited
	Sidhant Investment Advisory Private Limited
	Siddhi Vinayak Commosales Private Limited
	Shri Hari Vincom Private Limited
	Narayan Dealcom Private Limited
	Fairplan Vintrade Private Limited
	Nageshwar Tradelink Private Limited
	Bansal Nepal Private Limited (Refer Note No 14.1)

Notes to the Consolidated Financial Statements

42 Related Party Transactions *(contd.)*

Key Managerial Personnel	Ram Gopal Bansal
	Harsh Kumar Bansal
	Vivek Kumar Bansal
Enterprises over which Key Managerial Personnel has significant influence	JIT Transport Organisation
	Encash Commercial Private Limited
	Pioneer Goods Private Limited
	Jayamala Commercial Private Limited
Joint venture of SAIL Bansal Service Centre Limited	Steel Authority of India Limited

B) Details of Related party transaction after elimination

B.1) Transaction with subsidiaries

Intergroup related party transactions and outstanding balances with subsidiaries companies are eliminated in the preparation of Consolidated Financial Statements of the Group. Hence the same has not been disclosed in the group related party transactions.

B.2) Nature of Transaction with the related parties referred to in serial no. (A) above (Rs. in Lakhs)

Nature Of Transactions	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
(i) Sale of Services			
Steel Authority of India Limited		169.95	212.89
(ii) Recovery of Transportation Charges			
Steel Authority of India Limited		59.01	63.12
(iii) Rent Paid			
Ram Gopal Bansal		15.00	15.00
(iv) Remuneration		-	-
Ram Gopal Bansal		156.00	156.00
Harsh Bansal		120.00	102.00
Vivek Bansal		120.00	102.00
(v) Rent Received		-	-
JIT Transport Organisation		25.20	25.20
(vi) Irrecoverable balances Written Off		-	-
Bansal Nepal Private Limited	35.4	221.11	-

C) Balances of Related parties is as follows: (Rs. in Lakhs)

Nature Of Transactions	Note No.	As At 31st Mar 2019	As At 31st Mar 2018
(i) Outstanding Balances (Receivables)			
Bansal Nepal Private Limited - Interest free		-	221.11
JIT Transport Organisation		90.30	35.15
Steel Authority of India Limited		21.65	35.74

D) The remuneration of directors and other members of key management personnel during the year as follows: (Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Short–term employee benefits		396.00	360.00
Post–employment benefits*		-	-

*Excluding contribution to gratuity fund

In respect of above parties there is a provision of Rs.NIL (March 31, 2018 NIL) as on 31st March, 2019 and Rs.221.11 lakhs (March 31, 2018 NIL) has been written off during the year 2018-2019 in respect of debts due from them.

E) The above related parties information is as identified by the management and relied upon by the auditor.

Notes to the Consolidated Financial Statements

43 Financial Instruments

(a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:–

(Rs. in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non–Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	21,190.23	21,190.23	21,541.76	21,541.76
Cash and cash equivalents	484.04	484.04	80.63	80.63
Other Bank Balances	874.37	874.37	961.41	961.41
Investments	7,687.28	7,687.28	7,864.03	7,864.03
Loans	5,953.88	5,953.88	5,887.02	5,887.02
Other Financial Assets	908.89	908.89	417.33	417.33
Financial Liabilities (Current and Non–Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	37,152.38	37,152.38	42,832.10	42,832.10
Trade Payables	4,066.30	4,066.30	6,413.78	6,413.78
Other Financial Liabilities	2,659.40	2,659.40	756.03	756.03
Derivative - not designated as hedging instruments: Forward	26.08	26.08	-	-

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short–term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the Consolidated Financial Statements approximate their fair values.

Fair Value of Long term debt approximates their carrying value subject to adjustments made for transaction cost.

The non current financial assets represent security deposits given to government authorities and for the purpose of day-to-day utilities of the Group and therefore the need of fair valuation does not arise in such a case.

A substantial portion of the Group's long–term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

Fair value of Security deposits and Unsecured Loans from Bodies Corporate have been determined on Effective interest Rate method (EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument.

Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. The inputs used for forward contracts are Forward foreign currency exchange rates.

Derivative Instruments

The Group follows risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as non-material.

i) The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Category	Currency	Number of Deals	Amount in USD (Lakhs)	Underlying Purpose
Forward	USD/ INR	One (Previous Year Nil)	9.21 (Previous Year Nil)	External Commercial Borrowings

ii) Unhedged Foreign Currency exposures are as follows: -

Nature	Currency	Amount in Foreign Currency (USD in Lakhs)	
		As at March 31, 2019	As at March 31, 2018
External Commercial Borrowings	USD	58.89	94.51

Notes to the Consolidated Financial Statements

43 Financial Instruments *(contd.)*

The table below analyses the derivative financial instruments into relevant maturity groups based on the remaining period as of the balance sheet date:

Nature	Amount in Foreign Currency (USD in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Not Later than One Month	-	-
Later than one month and not later than three months	-	-
Later than three months and not later than one year	9.21	-
Later than one year	-	-

FINANCIAL RISK FACTORS

The Group's financial liabilities comprise mainly of borrowings, trade and other payables. The Group's financial assets comprise mainly of cash and cash equivalents, other balances with banks including Fixed Deposits with Banks, trade receivables and other receivables, Deposits and Investments.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The Group's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:

MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and trade receivables.

Interest Rate Risk

The Group exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and others. Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the company's cash flows as well as costs. There are certain borrowings at fixed interest rate which exposes the company to the fair value interest rate risk, however exposure in such borrowings is not significant.

Further there are deposits with banks which are for short term period and are exposed to interest rate risk, falling due for renewal.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on the Profit or Loss with respect to floating rate portion of loans and borrowings

(Rs. in Lakhs)

Particulars	Increase in basis points	For the year ended 31.03.2019	For the year ended 31.03.2018
Rupee Loan	+0.50	463.00	180.83
Foreign Currency Loan	+0.50	117.79	20.79

A decrease in 0.50 basis point in Rupee Loan and Foreign Currency Loan would have an equal and opposite effect on the Company's Consolidated Financial Statements

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's trade receivables and trade payables.

The Group evaluates the impact of foreign exchange rate fluctuation by assessing its exposure to exchange rate risks.

The carrying amount of various exposures to foreign currency as at the end of the reporting period are as follows:

(Rs. in Lakhs)

Particulars	Borrowings	
	As at March 31, 2019	As at March 31, 2018
USD	4,642.76	6,147.50

Notes to the Consolidated Financial Statements

43 Financial Instruments *(contd.)*

Nature of Transactions (Rs. in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Payables (Weaking of INR by 5%)		
USD	(232.14)	(307.37)

Figures in bracket represent Loss.

A 5% strengthening of INR would have an equal and opposite effect on the Company's Consolidated Financial Statements.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Group's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of respective financial assets recognised in the Consolidated Financial Statements, represents the Group's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being well established, large and unrelated.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate impairment allowances for doubtful debts are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents and deposits are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables amounts that are past due at the end of the reporting period against which no credit losses has been expected to arise.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Group 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 Group has obtained fund and non-fund based working capital loans from banks. The Group relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Liquidity and interest risk tables

The following tables detail the Group's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

Interest rate and currency of borrowings

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	33,510.07	596.30	30,202.63	2,711.13	8.12%
Borrowings in Foreign Currency (USD)	4,642.76	-	4,642.76	-	10.37%

Notes to the Consolidated Financial Statements

43 Financial Instruments *(contd.)*

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Total Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings	Interest free borrowings	Weighted average interest rate (%)
Borrowings in INR	39,864.33	1,000.30	32,133.42	6,730.61	9.74%
Borrowings in Foreign Currency (USD)	6,147.50	-	6,147.50	-	7.41%

Maturity Analysis of unamortised Financial Liabilities

As at March 31, 2019 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	38,152.83	23,532.50	2,740.20	3,180.70	8,699.43	38,152.83
Trade payables	4,066.30	-	4,066.30	-	-	4,066.30
Other Liabilities	3,434.28	0.07	1,389.18		2,045.03	3,434.28

As at March 31, 2018 (Rs. in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Borrowings	46,003.82	22,257.63	2,755.45	2,605.75	18,384.99	46,003.82
Trade payables	6,329.12	-	6,329.12	-	-	6,329.12
Other Liabilities	756.03	8.28	747.75	-	-	756.03

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

(b) Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Group's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Group is focused on keeping strong total equity base to ensure independence, security, as well as high financial flexibility for potential future borrowings.

The gearing ratio is as follows: (Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	37,152.38	42,832.10
Less: Cash and Cash Equivalents	484.04	85.43
Net Debt	36,668.34	42,746.67
Equity	65,831.03	61,692.32
Equity and Net Debt	1,02,499.37	1,04,438.99
Gearing Ratio	0.36	0.41

(c) Declaration of Dividend

(i) The Board of Directors of Holding Company in its meeting held on 10th April, 2018 has declared an Interim Dividend of Re.0.02 per equity shares (2%) for the year 2018-19. The total equity dividend paid is Rs.45.01 Lakhs and the Dividend Distribution Tax paid thereon amounted to Rs.9.25 Lakhs.

(ii) Relying on the expert opinion that the fourth proviso to Section 123(1) of the Companies Act, 2013 being not applicable, the Board of Directors of one of the subsidiary company at their meeting held on 22nd November, 2018, declared an Interim dividend of Rs.12 lakhs at the rate of Rs.0.15 per equity share (1.5%) out of the profits of the said subsidiary company for the current financial year. The amount of Dividend distribution tax on the said dividend is Rs.2.47 lakhs.

Notes to the Consolidated Financial Statements

44 Due to substantial losses incurred by one of its subsidiary company in earlier years and the prevailing market condition etc. The Management of the said subsidiary company has taken steps to procure adequate service orders from Steel Authority of India Limited, joint venturer and other customers.

Taking the above into consideration, the management of the company believes that the company has the ability to continue its operations as a going concern in the foreseeable future and accordingly the financial statements for the year ended 31st March 2019 have been prepared on the basis that the Company is a going concern.

44 Previous year figures have been regrouped wherever necessary to confirm with financial statements.

45 These Consolidated financial statements have been approved by the Board of Directors of the Company on May 30, 2019 for issue to the shareholders for their adoption.

As per our report of even date

For Lodha & Co.
Chartered Accountants
Firm Regn No.-301051E

H.K. Verma
Partner
Membership No. 055104

Place: Kolkata
Date: 30th May, 2019

For and on behalf of the Board of Directors

Ram Gopal Bansal
Chairman
DIN: 00144159

Subhash Chandra Gupta
Director
DIN: 00056770

Abhishek Agarwal
Chief Financial Officer

Arbind Kumar Jain
Company Secretary