usha martin
Usha Martin Limited
2A, Shakespeare Sarani, Kolkata (formerly Calcutta) - 700 071, India
Phone : (00 91 33) 71006300, Fax : (00 91 33) 2282 9029, 71006400/500
CIN:L31400WB1986PLC091621
Website:www.ushamartin.com

UML/SECT/

July 15, 2021

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza,
Plot No.C/1, G Block,
BKC, Bandra (E) Mumbai – 400 051
[Scrip Code : USHAMART]

The Secretary
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400 001
[Scrip Code : 517146]

Societe de la Bourse de
Luxembourg
35A Bouleverd Joseph II
L-1840, Luxembourg
[Scrip Code: US9173002042]

Central Depository Services (India) Limited
Marathon Futurex, A-Wing
25th Floor, N M Joshi Marg, Lower Parel
Mumbai – 400 013

National Securities Depository Ltd
Trade World, A Wing, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013

Dear Sir / Madam,

Sub : Annual Report for the Financial Year 2020-21

We hereby inform you that the 35th Annual General Meeting ('AGM') of Usha Martin Limited ('the Company') will be held through video conferencing/other audio visual means (VC/OAVM) on Wednesday, August 11, 2021 at 11:30 A.M. (Indian Standard Time).

Pursuant to Regulation 34(1) and Regulation 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the copy of Annual Report of the Company along with the Notice of the AGM for the Financial Year 2020-21 which is being sent through electronic mode to the members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participants. The copy of Annual Report 2020-21 along with the Notice of AGM is also available on Company's website www.ushamartin.com.

The schedule of events is as below :

Event	Date	Time
Cut-off date for e-voting	August 04, 2021	NA
Book Closure dates for AGM	August 05, 2021 to August 11, 2021 (both days inclusive)	NA
Commencement of e-voting	August 08, 2021	9:00 AM
End of e-voting	August 10, 2021	5:00 PM
AGM	August 11, 2021	11:30 AM (IST)

This is for your information and records.

Thanking you,

Yours faithfully,
For **Usha Martin Limited**

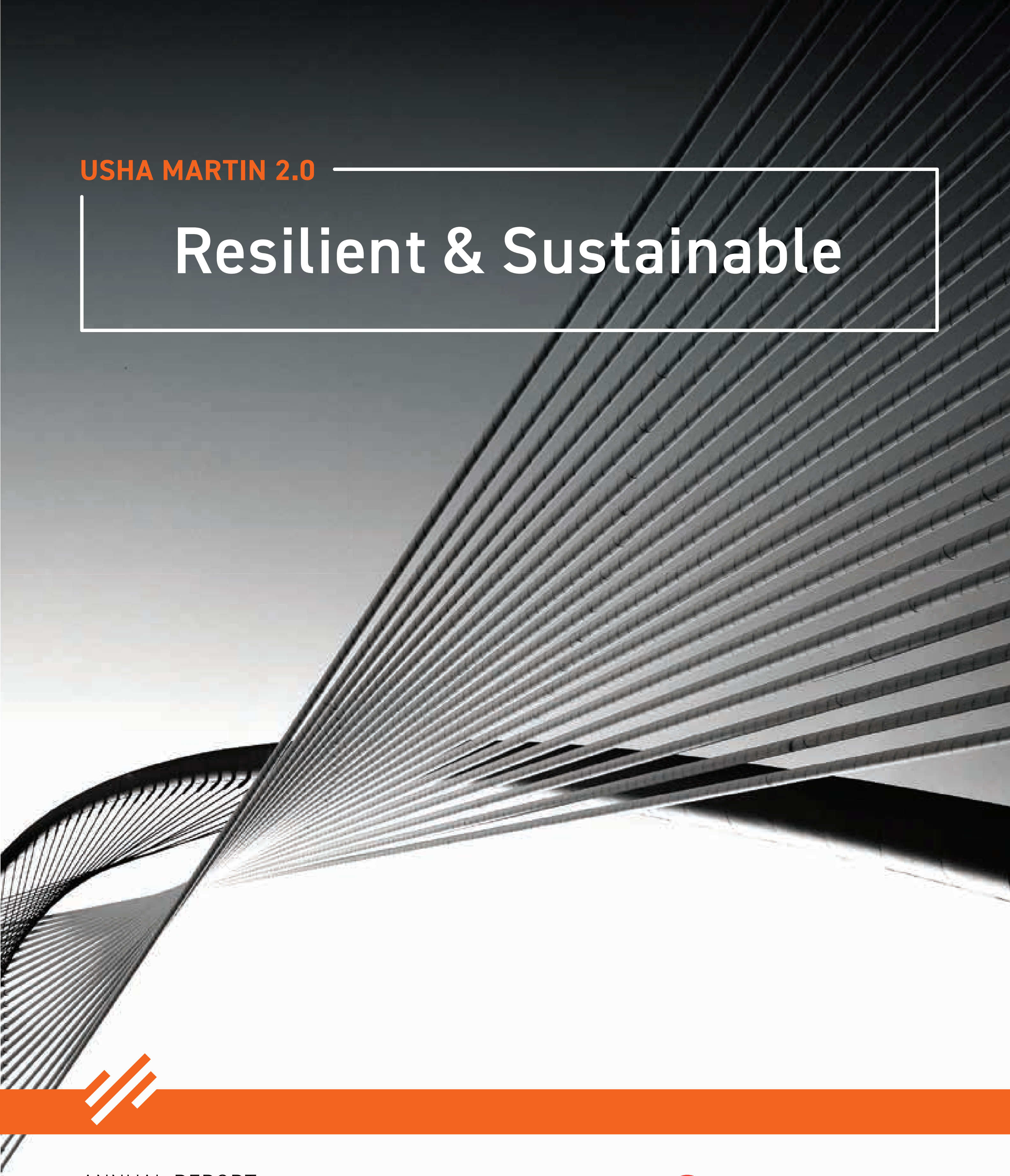
Shampa Ghosh Ray
Company Secretary

Encl : as above

Copy to :-Registrar & Transfer Agent: Mr. Shankar Ghosh-Head-Eastern Region,
MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata - 700045.

USHA MARTIN 2.0

Resilient & Sustainable



ANNUAL REPORT
2020-21

usha martin

INDEX

KEY HIGHLIGHTS OF FY 2020-21

REVENUE (RS. IN CRORE)

1345.60
Standalone

2097.28
Consolidated

EBITDA (RS. IN CRORE)

205.52
Standalone

312.56
Consolidated

PAT (RS. IN CRORE)

100.52
Standalone

151.50
Consolidated

MANAGEMENT'S MESSAGE

Ready for our next chapter

The year under review proved to be most challenging in living memory as COVID-19 brought economies and businesses to a grinding halt. India was hit hard by the pandemic. Lockdown measures and restrictions on mobility impacted both consumer demand and supply channels. However, as a nation, we continue to stand together in this critical hour, and we are grateful to our frontline workers and other healthcare professionals for risking their own lives in order to save the lives of millions of people.

The Government's large-scale vaccination initiative has ushered in a measure of optimism, even as India continues to grapple with the headwinds posed by the second COVID wave. While a large section of the population has already been vaccinated, there has been further ramping up of the vaccination drive. The Indian economy is gradually opening up. Although FY 2020-21 saw the Indian economy contract by 7.3%, the second half of the year witnessed momentum in key frequency indicators such as power consumption, GST collections, E-way bills, railway freight, and so on.

After the second COVID wave gradually tapers off and localised lockdowns are eased across states, the economy is expected to rebound on the back of pent-up demand across sectors, Reserve Bank of India's (RBI) monetary stimulus and the Government of India's fiscal measures to bring the economy to a sustainable positive territory. We believe that the substantial budgetary outlay on infrastructure by Government of India will augur well for our business. Our international business also is expected to gain momentum as most countries where we are present have returned to near normalcy.

As you might have noticed, the theme of the report is 'Usha Martin 2.0'. This is not just a catchphrase, but a literal depiction of the Company's state. When we exited our steel business, there might have been some scepticism on the future path of the Company but it has proved to be a strategic move, enabling us to significantly de-leverage our balance sheet and free up critical cash pool, which we could invest in our profitable and sustainable wire rope business. The result of such divestment resulted in enhanced fiscal stability and allowed us to focus primarily on our core business.

We recorded a consolidated revenue of Rs. 2,097.28 crore, compared to Rs. 2,153.82 crore in the previous year. Our consolidated EBITDA stood at Rs. 312.56 crore compared to Rs. 284.96 crore in the previous year. Despite the shrinkage in revenue, there was a marked improvement in the EBITDA margin from 13.23% to 14.90%. During the year, we had adequate working capital and liquidity, which ensured that our operations went on smoothly.

Going forward, enrichment of product mix will continue to be a key value driver, by gradually reducing dependence on low-contributory items and increasing focus on value-added products. There will be concerted effort on maintaining fiscal solidity with focused capital expenditure. We will continue to place greater emphasis on implementing digitalisation across the organisation.

During this critical period, we focused on the safety and well-being of our employees. We ramped up our employee engagement initiatives to keep them motivated during the once-in-a-century crisis. In line with the guidelines issued by the Government, we adhered to social-distancing measures and safety protocols in our production facilities and offices. We continued to encourage our employees, customers and other stakeholders to follow COVID protocols diligently.

Community initiatives continued to be our priority during the year. As always, we stayed true to our values and distributed free masks, sanitisation material and conducted COVID tests for the villagers living in and around our factories. Besides, we created awareness and educated the villagers about the benefits of social distancing and regular sanitisation, alongside our other CSR initiatives.

Before we conclude, we thank all our team members for their indomitable spirit and our stakeholders for their faith in the Company. We remain committed to create sustainable value for our shareholders, customers, employees and other stakeholders.

CORPORATE SNAPSHOT

Experience and expertise hold us in good stead

Usha Martin is one of the world's leading manufacturer of wire rope. With over six decades of experience, we have established ourselves as a globally recognised multi-unit and multi-product organisation through consistent delivery of superior quality products and services.

1

VISION

TO BE THE GLOBAL LEADER OF THE WIRE ROPE INDUSTRY BY DELIVERING CUSTOMER DELIGHT, ADOPTING MODERN TECHNOLOGY AND ENSURING SUSTAINABLE, INCLUSIVE GROWTH FOR ALL OF ITS STAKEHOLDERS.

2

Expertise

We embarked on our journey in 1960 and possess 60+ years of industry experience in the manufacturing of wires and wire ropes.

>60

YEARS OF EXPERIENCE IN THE INDUSTRY

3

Manufacturing units

We possess six manufacturing facilities located in Ranchi, Hoshiarpur, Silvassa, Dubai, Bangkok and the United Kingdom, which produce one of the widest range of wire ropes in the world.

6

MANUFACTURING FACILITIES

4

Research and development

We have always put significant emphasis on the continual improvement of our products and are actively engaged in designing wire ropes through our internally developed software and optimising our processes, ensuring that our products are at par with global benchmarks. We also have two comprehensive R&D centres: one in Concesio, Italy and the other in Ranchi, Jharkhand.

2

R&D CENTRES

5

Market presence

Our products are globally marketed in six continents and 50% of our revenue is derived from our international sales. To ensure that our commitment to quality percolates through every sphere of our operations, we have built a strong worldwide network of capabilities to cater to global markets.

6

THE CONTINENTS WHERE OUR PRODUCTS ARE SOLD

6

Customer-first

We have always believed that the success of our Company has been built around our ability to serve our customers. The phrase 'Globally Local' is what we live by. In order to ensure the smooth supply of our products and services, we have set up a worldwide network of 33 distribution centres.

33

TOTAL DISTRIBUTION CENTRES INCLUDING CHANNEL PARTNERS

Certifications and approvals

- ISO 9001: 2015
- ISO 14001: 2015
- API Monogram Licence
- DNV – GL Manufacturer Approval
- ABS Manufacturing Assessment
- China Classification Society – Product Approval
- Class NK Manufacturing Approval
- TPM Excellency Award – JIPM, Japan
- ACRS – Australia Technical Approval (Pre-stressing Stand)
- ACRS – Australia Product Certification (Manufacturing Standard)
- NABL Testing
- ABS Product Design Assessment
- Lloyd's Register – Manufacturer Approval
- Bureau Veritas Mode II (Marine & Offshore)

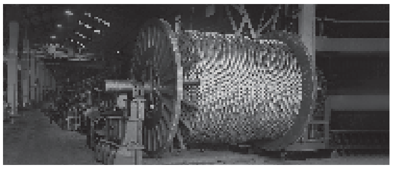
OUR MAIN SUBSIDIARIES

- Usha Martin International Limited (UMIL)
- Brunton Wire Ropes FZCo (BWR)
- Usha Martin Singapore Pte Limited (UMSPL)
- Usha Siam Steel Industries Public Company Limited (USSIL)
- Usha Martin Americas Inc (UMAI)
- U M Cables Limited (UMCL)

AWARDS RECEIVED IN THE RECENT PAST

- Usha Martin Limited won the 'EEPC India National Award' for export excellence.
- Brunton Wire Ropes FZCo, Dubai won the 'Excellent Performance Award' from DP World Port, Dubai

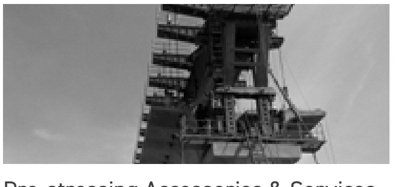
OUR OFFERINGS



Steel Wire Rope

LRPC

Wire & Strand



Pre-stressing Accessories & Services

Rope Making & Allied Machinery

Telecom Cable

GLOBAL PRESENCE

Taking our differentiation worldwide

We are driven by the aspiration to consistently grow our global scale and scope. Our focus and proactive investments and measures have enabled us to emerge as one of the most trusted companies in our space. To closely cater to our customers in other continents, the Company has a wide network of offices in USA, Europe, UAE, South East Asia and Australia.

Global Presence

1. Aberdeen, UK
2. Almaty, Kazakhstan
3. Bangkok, Thailand
4. Casablanca, Morocco
5. Concesio City, Italy
6. Dubai, UAE
7. Ho Chi Min, Vietnam
8. Houstan, USA
9. India
10. Jakarta, Indonesia
11. Johannesburg, South Africa
12. Moscow, Russia
13. Netherlands
14. Nottinghamshire, UK
15. Perth, Australia
16. Santiago, Chile
17. Sao Paulo, Brazil
18. Singapore
19. Sydney, Australia

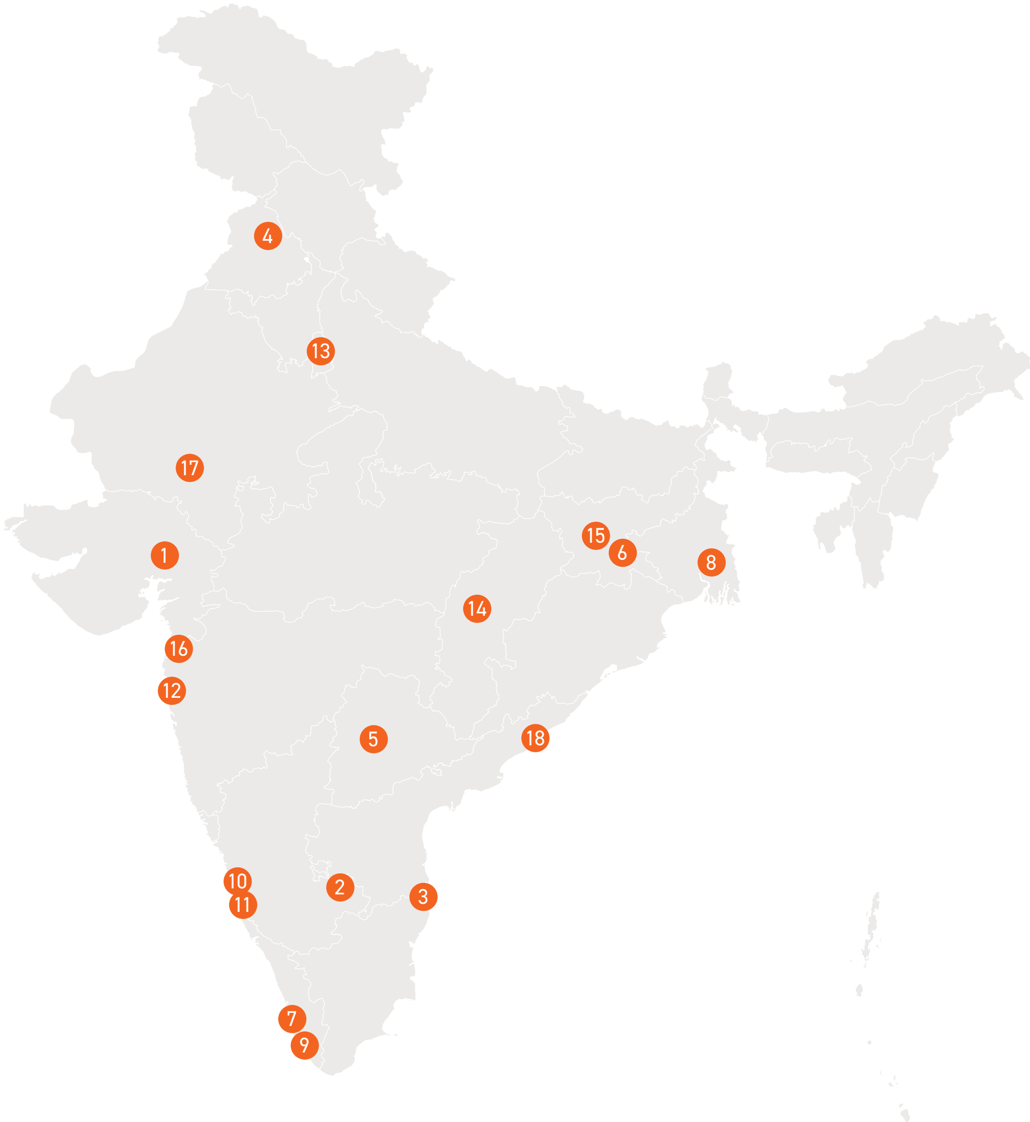
50%

SHARE OF REVENUE FROM INTERNATIONAL SALES

14

GLOBAL DISTRIBUTION CENTRES INCLUDING CHANNEL PARTNERS

Pan India Network



1. Ahmedabad
2. Bengaluru
3. Chennai
4. Hoshiarpur
5. Hyderabad
6. Jamshedpur
7. Kochi
8. Kolkata
9. Kollam
10. Malpe
11. Mangalore
12. Mumbai
13. New Delhi
14. Raipur
15. Ranchi
16. Silvassa
17. Udaipur
18. Vizag

Manufacturing Facility | Group Distribution Centre | Channel Partners | Design Centre | Corporate Office | Sales Office

50%

SHARE OF REVENUE FROM DOMESTIC SALES

19

DISTRIBUTION CENTRES INCLUDING CHANNEL PARTNERS

KEY PERFORMANCE INDICATORS

A sustainable value-accretive business

Standalone

REVENUE
(RS. IN CRORE)

FIXED ASSETS - GROSS BLOCK
(RS. IN CRORE)

EBITDA*
(RS. IN CRORE)

NET DEBT
(RS. IN CRORE)

PROFIT BEFORE TAX
(RS. IN CRORE)

DEBT EQUITY
(X)

PROFIT AFTER TAX
(RS. IN CRORE)

ROCE
(%)

FY 2020-21 FY 2019-20

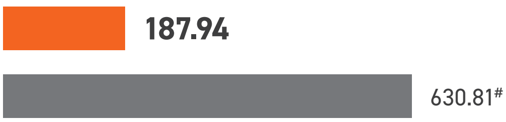
* Continuing Business
\# Includes Rs. 556.52 Crore from profit on sale of discontinued business.

Consolidated

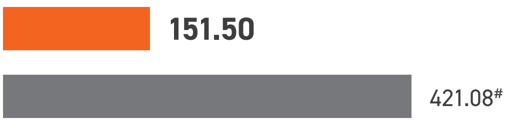
REVENUE
(RS. IN CRORE)

EBITDA*
(RS. IN CRORE)

PROFIT BEFORE TAX
(RS. IN CRORE)



PROFIT AFTER TAX
(RS. IN CRORE)



FY 2020-21 FY 2019-20

FIXED ASSETS - GROSS BLOCK
(RS. IN CRORE)

NET DEBT
(RS. IN CRORE)

DEBT EQUITY
(X)

ROCE
(%)

* Continuing Business
# Includes Rs. 556.52 Crore from profit on sale of discontinued business.

MANUFACTURING EXCELLENCE

Strengthening our capabilities

At Usha Martin, we have been able to solidify our leadership position through the delivery of industry-leading quality products across our state-of-the-art manufacturing facilities. Leveraging the capabilities of our R&D facilities in Italy and India, we are constantly striving to enhance manufacturing efficiencies and quality of our products. We continue to engage with our customers to deepen relationships with them and build our brand recall and respect.

Our global manufacturing capacities

Location	Products	Capacity (MT/annum)
Ranchi, India	Wire Rope, LRPC, Wire & Strand	186,000
Hoshiarpur, India	Wire and Wire Ropes	48,000
Usha Siam, Thailand	Wire and Wire Ropes	36,000
Brunton Wolf, UAE	Wire Rope	15,000
Brunton Shaw, UK	Wire Rope	11,500

Raw material availability

To ensure an adequate supply of steel for optimum efficiency, we procure steel from large steel manufacturers, who are located in close proximity of the plants, thereby enabling us to reduce our logistics costs as well.

Cost efficiency

We are continuously engaged in the process of improving our EBITDA per tonne and have several cost-optimisation and process improvement initiatives in place. We have a dedicated team that constantly monitors fixed costs, without compromising on quality.

Innovation

We always strive to improve the quality of products to enhance value for our customers. Leveraging the capabilities of our R&D facilities in Italy and India, we modify the designs of our products based on geographies and needs of our customers. Besides this, we also work closely with our R&D centres to enhance our daily manufacturing efficiencies.

Customer-centricity

We always endeavour to have a close relationship with our customers to have a better understanding of their requirements. We have also implemented a customer value management programme through which we interact with our customers frequently and get their feedback. Based on said feedback, we make the required adjustments, which in turn, helps us to regularly maintain and improve the quality.

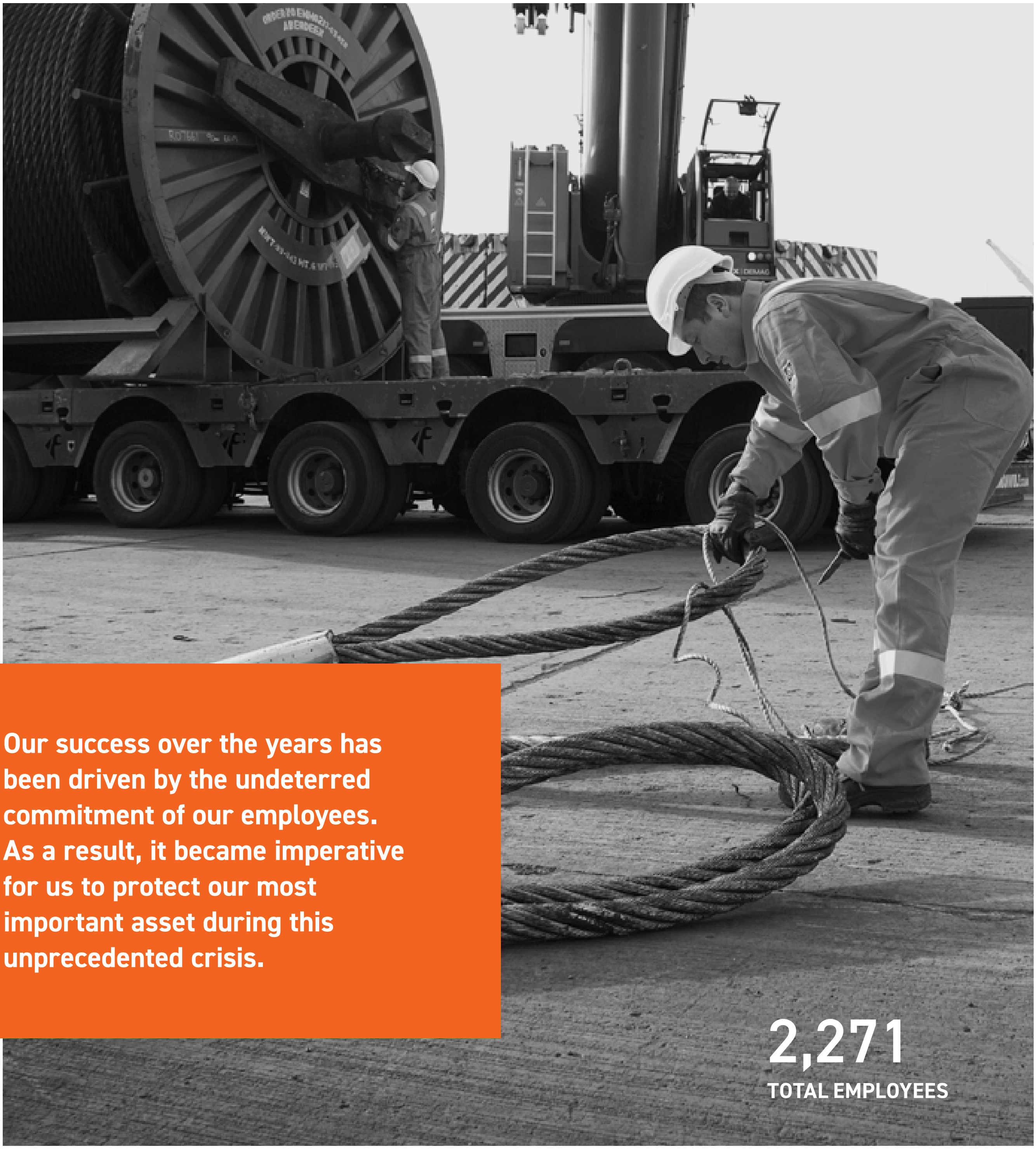
Environment focus

The environmental conscious aim of the Company can be seen through the green practices incorporated throughout the organisation.

- Replacing asbestos sheets in our manufacturing facilities
- Reducing dependence on chemicals
- Replacing standard lights with LED lights
- Replacing DC motors with SE motors which are more environment friendly

PEOPLE CULTURE

Committed to make a difference



Our success over the years has been driven by the undeterred commitment of our employees. As a result, it became imperative for us to protect our most important asset during this unprecedented crisis.

2,271
TOTAL EMPLOYEES

As we are a multi-unit company with presence in more than one state of India, we have been culturally diverse. We have worked towards making this an inclusive and accepting organisation where our employees are encouraged to share their views. We provide our employees with immense growth opportunities and this, coupled with our prudent HR initiatives, have resulted in us having one of the highest retention rates in the industry.

~82.70%

EMPLOYEES ASSOCIATED WITH THE COMPANY FOR >5 YEARS

Building a talent pool

Our organisational goal is to possess an effective leadership pool and be future-ready in our endeavours. Thus, from the time an employee joins the organisation, there is supervisory monitoring of performance. Based on performance parameters, we identify high-performing individuals and impart leadership training to them to help them reach their potential.

Training and development

We conduct numerous training sessions and on-the-job training programmes across various functions to ensure that our employees are equipped with the required industry knowledge and skillset. Even during this challenging pandemic year, we continued with our training programmes on virtual platforms.

Accommodation

As our manufacturing plant in Ranchi is located far away from the city, we have a built our own hostel where accommodation is provided to new recruits. The hostel comprises of all basic living amenities to maintain quality of living.

Employee engagement

To boost employee motivation, we constantly engage with employees and organise multiple group assignments. Besides this, we have a programme called 'HR aapke dwaar par', where our HR department directly approaches the employees of every department to have a clear idea about their mental state and grievances, and adequate measures are taken to address them.

Recruitment and remuneration

We recruit our employees, especially engineers, from top-tier institutions across the country. Besides this, we also recruit people from the communities in and around manufacturing facilities, which helps in the overall development of the area. We also have a well-structured remuneration policy in place where all our high-performance employees are remunerated based on industry standards.

COVID-19 RESPONSE

- Regular sanitisation at our plants
- Implementing smart card entry
- Replacing canteen coupons with cards
- Installing touch point sanitisers throughout the plant
- Stocking essential medicines for infected employees and families
- Appointing full-time and contractual medical personnel, along with an ambulance
- Vaccination camps

CORPORATE SOCIAL RESPONSIBILITY

Growing with our community

Ever since our inception, we have been working for the overall development of the community in the areas of resource management, health and sanitation, education, women empowerment and sustainable livelihood.


Promoting Livelihood


Mushroom Cultivation


Mask Distribution

Our approach has been to enhance prosperity in the community by empowering the people, working together with them as partners, building their skills and capabilities, and putting the local resources to the best use for a sustainable development. For all these years, we had been actively collaborating with other organisations to carry out our CSR initiatives. However, in a bid to amplify our efforts, we formed our very own CSR arm, the Usha Martin Foundation, in 2019-20.

Resource management

This has been one of our key focus areas since we began our operations. We encourage our farmers to carry out healthy farming practices. We distribute various seeds like paddy, arhar, pea, wheat and mustard, among others, to the farmers in our focus project areas. Besides this, constructed vermi compost pits and compost pits are promoted to encourage the habit of organic farming, along with the distribution of medicinal plants and organic manure. To ensure that there is no shortage of water, we have repaired hand pumps in and around the villages of our focus project areas.

Health and sanitation

We carry out our healthcare initiatives through our tie-up with Shalini Hospitals, located in Angara and Rukka. They are equipped with adequate beds and oxygen supplies to deal with emergencies. Besides this, we carry out several awareness camps on personal hygiene for women in these communities. In collaboration with the government, we also conduct awareness programmes about HIV/ AIDS and tuberculosis for all the people residing in these villages.

Education

We believe that education is the biggest pillar of progress; as a result, we completely look after the administration of Gurukul School in Tatisilwai, Ranchi, where students are provided education with almost negligible fees. We also provide full scholarships to meritorious students. Besides this, we also helped with the infrastructural development of a government school in Tatisilwai.

Women empowerment

We extensively work towards eliminating patriarchal sentiments residing in villages. We worked closely with self-help groups in the villages creating awareness about menstrual health and amenia, promoting literacy programmes and educating them about the new government schemes on women and child issues.

Sustainable livelihood

We are always trying to empower the people in our region. We installed Jal Minars and provided support to farmers for crop cultivation. We promote systemic rice intensification. We have arranged soil and crop insurance to safeguard them against any mishap. We have also encouraged them to get engaged with social forestry, fishery and kitchen gardens, among others.

COVID-19 RESPONSE

- Conducted Covid tests for villagers
- Distributed sanitisation materials to villages
- Conducted regular meetings with village health committees
- Distributed food items to the villagers in need
- Distributed masks and sanitisers to unorganised workers
- Created awareness about the need for social distancing and sanitisation

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

The Board of Directors of Usha Martin Limited ("the Company") present the 35th Annual report and Audited Accounts for the Financial Year ended 31st March, 2021.

FINANCIAL SUMMARY / HIGHLIGHTS

(Rs. in Crore)

	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Net Turnover	1,345.60	1,392.62	2,097.28	2,153.82
Earnings before Interest, Tax, Depreciation and Amortisations	205.52	200.55	312.56	284.96
Depreciation	30.64	27.77	67.87	63.62
Finance costs	44.52	58.07	56.90	74.18
Profit before tax from continuing operations	130.36	114.71	187.79	147.16
Tax expenses	25.40	200.75	36.44	209.73
Profit after tax from continuing operations	104.96	(86.04)	151.35	(62.57)
Profit after tax from discontinuing operations	(4.44)	481.44	(4.44)	483.22
Profit after tax	100.52	395.40	151.50	421.08
Other comprehensive income / (loss)	(1.57)	(10.95)	18.90	24.54
Total comprehensive income / (loss)	**98.95**	**384.45**	**170.40**	**445.62**

Review of Operations

The turnover for the year was Rs. 2097.28 Crore on consolidated basis and Rs. 1,345.60 Crore on standalone basis as compared to Rs. 2,153.82 Crore and Rs. 1,392.62 Crore respectively in the previous year. The Earnings before Interest, Depreciation and Tax was Rs. 312.56 Crore on consolidated basis as compared to Rs. 284.96 Crore in previous year and on standalone basis was Rs. 205.52 Crore as compared to Rs. 200.55 Crore in previous year.

A detailed discussion on review of operations of the Company has been included in Management Discussion and Analysis which forms part of this Report.

Update on COVID-19 Pandemic

The entire global economy faced unprecedented disruption due to outbreak of COVID-19 pandemic during the year under review and its disruptive impact is still being continued with renewed vigour. Though the impact of outbreak of the pandemic on the performance of the Company is not possible to quantify in terms of statistics, however such global outbreak has resulted in an unprecedented interruption in supply chain, halted production and lock-down and had an obvious impact on the overall performance of the Company. The Company continues to follow stringent safety protocols to ensure wellbeing of its employees and is in continuous process of dynamically adopting to the ever changing global and domestic macro-economic environment as and when the same is required due to this outbreak of the pandemic.

Dividend & Reserves

The Board of Directors has decided that it would be prudent not to recommend dividend for the year under review nor do they propose to carry any amount to reserves.

Outlook and Business

Due to the rapid spread of the second wave of COVID-19 pandemic globally, the uncertainties in growth of key sectors are high and hence the outlook with respect to market dynamics is uncertain and unpredictable. The Company is gearing itself up to deal with all possible opportunities and adversaries during these uncertain times.

However, global demand for the oil and offshore market saw improvement during the year under review which in turn boosted the demand for speciality rope products of the Company catering to the said sector. It is expected that the demand from the said sector shall sustain in the next fiscal and is expected to provide business opportunities to the Company. Further with steady infrastructure spending by the government, speciality products used in construction and infrastructural sector may be growth drivers for the Company.

TPM & Quality

Quality Management System Certification with reference to the standard ISO 9001: 2015 is maintained. The Environmental Management System Certification with respect to standard ISO 14001:2015 is continued to be adhered to. Further the Company has approval of manufacturing (AOM) by DNV-GL, ABS & Lloyd. The organisation has Certificate of Authority to use the official API Monogram issued by American Petroleum Institute, USA. The Company has a number of product certifications and product recognitions such as Inmetro of Brazil, SONCAP of Nigeria, SGS of India, CCS of China, NKK of Japan and Certificate of Recognition for BV Mode II scheme by Bureau Veritas. LRPC product is certified by Australasian Certification Authority for Reinforcing and Structural Steels Ltd. The Company is also an approved manufacturer and supplier of wire ropes to mines recognised by Directorate General of Mines Safety, Dhanbad, India. The Company continues to have certificate of accreditation in the field of testing as per ISO 17025: 2017 by National Accreditation Board for Testing & Calibration Laboratories (NABL). In order to sustain the culture of 'Continuous Improvement', the concept of Business Excellence is continuing to be pursued. Concepts such as monitoring the process parameters, identification & execution of cost reduction ideas, Kaizen Management, Fuguai Management continue to be implemented and integrated in operation, maintenance and service areas in the plants. All the Key Process Indicators of different functions are monitored regularly in the centralised Wire Rope Excellence Center. This continued pursuance of Business Excellence will further strengthen the competitiveness with respect to quality, cost and delivery of rope business.

Environment

The Company continues to endeavor in improving its efforts to minimise environmental impact through reduced process emission, waste and consumption of energy, water and raw materials. Periodic environmental monitoring, online monitoring of emission and effluent at captive power plants are continuously being carried out. Utilisation of fly ash on an enhanced scale ensures disposal of accumulated fly ash. Further, process effluent are also being treated and recycled on a continuous basis. The Company has taken appropriate initiatives to address global environmental issues, climate change, global warming by use of liquefied petroleum gas and biomass briquette as greener source of energy and also usage of energy efficient LED bulbs and motors. The Company is fully committed to increasing green footprint through development of greenbelt within the plant area and also in nearby villages under social forestry. The environmental management system at manufacturing facilities of the Company continue to be accredited with ISO 14001:2015 certification.

Subsidiaries & Joint Ventures

The international subsidiaries of the Company provide significant synergy and support to the overall business and performance. A key joint venture formed by the Company namely Pengg Usha Martin Wires Private Limited has reported satisfactory results in the year under review. During the year under review there were no other entities which became or ceased to be subsidiaries, joint ventures and associates of the Company except that, subsequent to restructuring of share capital and receipt of statutory approvals, Brunton Wire Ropes FZCo. (earlier known as Brunton Wolf Wire Ropes FZCo) ['BWR'], ceased to be joint venture of the Company with Gustav Wolf of Germany and became a wholly owned subsidiary of the Company wherein the Company holds 75% and the balance 25% of the paid-up share capital is held by Usha Martin Americas Inc. (a wholly owned subsidiary of the Company). A statement covering the performance and financial position of each of the subsidiaries, associates and joint ventures is provided separately and forms part of this Report.

Deposits

During the year under review, the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). As on 31st March, 2021, there are no unclaimed deposits with the Company. The Company has not defaulted in repayment of deposits or payment of interest on deposits thereon in the past.

Share Capital

The paid-up Equity Share Capital as on 31st March, 2021 stood at Rs. 30.54 Crore. During the year under review, the Company has not issued any shares with or without differential voting rights, granted stock options or issued sweat equity shares.

The total issued and paid-up equity shares of the Company as on 31st March 2021 as per the stock exchange records stands inflated by 230 equity shares. This was caused due to an erroneous additional electronic transfer of 230 equity shares to Investor Education & Protection Fund (IEPF) under the Ministry of Corporate Affairs (MCA) by way of corporate action executed on 29th September, 2020 by Central Depository Services (India) Ltd (CDSL) and Registrar & Transfer Agent (RTA) of the Company. The Company has been continuously engaging with IEPF under MCA, CDSL and RTA for necessary rectification / reversal of erroneous entry. Due to ongoing Covid pandemic there is a delay in necessary rectification / reversal.

REPORT OF THE BOARD OF DIRECTORS

Significant and Material Orders Passed by Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future

During the year, no significant material orders were passed by any regulatory authority or court against the Company which may affect the going concern status of the Company.

The Central Bureau of Investigation ("CBI") registered a regular case on 20th September 2016 ("FIR No. 1") under the Indian Penal Code, 1860 ("IPC") and the Prevention of Corruption Act, 1988 ("PC Act") against certain individuals and the Company, wherein, inter-alia, various illegalities have been alleged qua the allocation of mine to the Company and abuse of official position by government servants. The CBI is conducting investigations in the matter, though no charge-sheet under the Code of Criminal Procedure, 1973 has been filed before the concerned court. On October 2020, CBI registered another first information report under the PC Act read with the IPC against the Company, few officials of the Company and others, alleging influencing of the investigation in FIR No. 1.

The Directorate of Enforcement ("ED"), Patna passed a provisional order dated 9th August 2019 ("Provisional Order") for provisional attachment of certain immovable properties of the Company valued at approximately Rs. 190 Crore pertaining to the wire rope business of the Company, situated at Ranchi in the State of Jharkhand. This order was passed in connection with sale of iron-ore fines in earlier years from the erstwhile iron-ore mines of the Company situated at West Singhbhum in the State of Jharkhand. On 10th January 2020, the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 ("PMLA") issued an order confirming the Provisional Order, subsequent to which the Company filed applications for stay and appeal against the order of Adjudicating Authority, PMLA, with the Appellant Tribunal, PMLA, New Delhi. The Appellant Tribunal vide an order dated 31st January 2020 directed that status quo be maintained till the next date of hearing. Due to Covid pandemic there has been no progress in this matter.

Kindly refer to Note 39 to the Accounts in this Annual Report.

Details in Respect of Adequacy of Internal Financial Controls with Reference to the Financial Statements

Based on the framework of internal financial controls and compliance systems established and maintained by the Company (with its inherent weaknesses), work performed by the internal, statutory, cost and secretarial auditors and external consultants specially appointed for this purpose, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the year ended on 31st March, 2021.

Directors and Key Managerial Personnel

Mr. Brij Kishore Jhawar (DIN: 00086200) a Non–Executive Director of the Company expressed his unwillingness to continue as a director due to his failing health and chose to retire at the 34th Annual General Meeting of the Company held on 23rd September, 2020. Mr. Pravin Kumar Jain (DIN: 02583519), the then Joint Managing Director of the Company passed away on 17th May, 2020.

The shareholders of the Company at the 34th Annual General Meeting held on 23rd September, 2020 had approved the appointment (including the terms of appointment) of Mr. Dhrub Jyoti Basu (DIN: 02498037) the Whole Time Director of the Company effective 6th June, 2020 for a period of three years. Further Mr. Basu is retiring by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting. Mr. Devadip Bhowmik (DIN: 08656505) was appointed as an Additional Whole Time Director of the Company with effect from 15th March, 2021 and shall hold office till the date of forthcoming 35th Annual General Meeting of the Company. Mr. Bhowmik has been appointed as a Whole Time Director for a period of five years with effect from 15th March, 2021.

Brief profiles of Mr. D J Basu and Mr. Devadip Bhowmik are given in the Notice convening the forthcoming Annual General Meeting.

As required under provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Independent Directors of the Company have confirmed that they meet the requisite criteria of independence.

During the year under review, there has been no other change in Key Managerial Personnel of the Company.

Directors' Responsibility Statement

Pursuant to requirements under Section 134(5) of the Act, the Board, to the best of its knowledge and belief, confirms that:

i) the applicable accounting standards have been followed in preparation of annual accounts for Financial Year ended 31st March, 2021 and proper explanations have been furnished relating to material departures;

ii) accounting policies have been selected and applied consistently and prudent judgments and estimates have been made so as to give a true and fair view of state of affairs of the Company at end of financial year and of profit and loss of the Company for year under review;

iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts for Financial Year ended 31st March, 2021 have been prepared on a going concern basis;

v) internal financial controls are in place and that such financial controls are adequate and operating effectively;

vi) adequate systems to ensure compliance with the provisions of all applicable laws are in place and are operating effectively.

Board Evaluation

The criteria and manner for formal evaluation of individual Directors, the Board as a whole and the Board Committees has been formulated. Every Director evaluates the performance of other Directors (excepting himself/herself), the Board as a whole and its Committees and provides feedback to the Nomination & Remuneration Committee. The Nomination & Remuneration Committee reviews the feedback and makes relevant recommendation to the Board for final evaluation.

Nomination & Remuneration Policy

In accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company on recommendation of the Nomination & Remuneration Committee has formulated the criteria for determination of qualification, positive attributes and independence of Directors along with remuneration of Directors, Senior Management Personnel (including Key Managerial Personnel) and other employees. The Remuneration Policy of the Company is annexed as part of this Report and is also available on the website of the Company www.ushamartin.com.

Vigil Mechanism and Whistle Blower Policy

The Company has a coded Vigil Mechanism and Whistle Blower Policy available at www.ushamartin.com. This Policy provides a framework to promote responsible and secure reporting of undesirable activities ("whistle blowing"). Through this Policy, the Company seeks to provide a mechanism to the whistleblower to disclose any misconduct, malpractice, unethical and improper practice taking place in the Company for appropriate action and reporting, without fear of any kind of discrimination, harassment, victimisation or any other unfair treatment or employment practice being adopted against the whistleblower.

Particulars of Employees & Managerial Remuneration

The required disclosure in accordance with Section 197 of the Act read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is provided separately and forms part of this report.

CEO and CFO Certification

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have submitted the relevant certificate for the year ended 31st March, 2021 to the Board of Directors.

Additional Disclosures

The Company had adopted effective from 1st April, 2016, the notified Indian Accounting Standards (Ind AS) and accordingly the Financial Statements (both standalone and consolidated) for the year ended 31st March, 2021 have been prepared under Ind AS. In line with requirements of applicable provisions of law, the Company has made necessary disclosures in respect of Consolidated Financial Statements, Related Party Transactions and Segmental Reporting.

Further in accordance with the recent amendments made in Rule 8(5) (xi) of Companies (Accounts) Rules, 2014 this is to confirm that during the year under review and as on 31st March, 2021, no application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company. Also during the year under review there was no instance of one-time settlement with banks or financial institutions and hence the differences in valuation as enumerated under Rule 8 (5) (xii) do not arise. Further this is to confirm that during the year under review there were no changes in the nature of business carried on by the Company or by any of its subsidiaries.

The requisite disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been provided separately in this Annual report.

Auditors

In accordance with the provisions of Section 139 of the Act and pursuant to shareholders approval at the 30th Annual General Meeting, Messrs. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) have been appointed as Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company. Since the tenure of the said Auditors expires at the conclusion of the forthcoming Annual General Meeting, the Board of Directors considering the performance of the Auditors recommends to the shareholders the re-appointment (including remuneration) of Messrs. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) as the Auditors of the Company to hold office from the conclusion of 35th Annual General Meeting till the 40th Annual General Meeting of the Company.

REPORT OF THE BOARD OF DIRECTORS

The Emphasis of Matter mentioned in the Auditors' Report is self-explanatory. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Cost Auditors

Pursuant to Section 148 of the Act and Rules made thereunder, the Board had appointed M/s. Guha, Ghosh, Kar & Associates, Cost Accountants for a term of one year, to conduct cost audit of the Company for the Financial Year 2020-21 and had recommended their remuneration to the shareholders which was ratified at the Annual General Meeting held on 23rd September, 2020. Subsequent to the recommendation of the Audit committee, the Board has appointed M/s. Mani & Co., Cost Accountants as the Cost Auditors of the Company for the Financial Year ending 31st March, 2022 and their remuneration is sought to be ratified by the shareholders at the forthcoming Annual General Meeting and is included as an agenda item in the Notice convening the 35th Annual General Meeting of the Company.

Secretarial Audit and Corporate Governance Report

During the year under review, the Board of Directors had appointed M/s. A K Labh & Co. firm of Practicing Company Secretaries for conducting secretarial audit in accordance with the provisions of the Act and the Rules framed thereunder. The Secretarial Audit Report is annexed and forms part of this Report. The Company has complied with the applicable requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and followed the practice of getting disclosures from directors and senior management personnel relating to any material, financial and commercial transactions where they have any personal interest with a potential conflict of interest with the Company at large. A detailed Report on Corporate Governance is annexed and forms part of this Report. The Company has also complied with the Standards of Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India as applicable during the year ended 31st March, 2021.

Business Responsibility Report

The Business Responsibility Report as stipulated under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by your Company from an environmental, social and governance perspective, forms part of the Annual report.

Audit Committee

Members of the Audit Committee as on 31st March, 2021 were Mr. Vijay Singh Bapna as Chairman, Mr. Mukesh Rohatgi and Mr. Rajeev Jhawar as Members. The Company Secretary acts as the Secretary to the Audit Committee. All recommendations of the Audit committee were duly accepted by the Board and there were no instances of any dis-agreement between the Committee and Board.

Corporate Social Responsibility (CSR)

The Company continues to be deeply involved in sustainable development of communities in and around its areas of plant operations. The CSR policy of the Company is available on http://www.ushamartin.com/investor-relation/. The Company's commitment to its responsibilities towards society over the years has never been confined to the requirements of any statute. As per the provisions of Section 135 of the Act, the Company need not statutorily incur any social responsibility spending owing to absence of profits (calculated in the manner as per the provisions of the Act) over the last three years and hence the Company had not made any CSR spending as required under Section 135 of the Act. In view of no spending on account of CSR activities under Section 135 of the Act, a separate annual report on CSR activities has not been provided in this annual report. Subsequent to retirement of Mr. Brij K Jhawar as a director and consequently as the Chairman of the CSR Committee, Mr. Vijay Singh Bapna was inducted as the Chairman – Member of the Committee with effect from 10th November, 2020. As on 31st March, 2021 the CSR committee comprised of Mr. Vijay Singh Bapna as Chairman, Mrs. Ramni Nirula and Mr. D J Basu as members.

Details of the net profit / (loss) for the last three financial years computed in accordance with Section 198 of the Companies Act, 2013 are provided herein under:

(Rs. in Crore.)

FY 2017 – 18	FY 2018 – 19	FY 2019 - 20
(1,496.84)	(1,649.70)	(1,637.12)

Average Net Loss for the last three financial years is Rs. 1,594.55 Crore. Hence as per the requirements of the Act, the Company was not required to make any statutory spending towards CSR activities.

Annual Return

In accordance with Section 92 (3) read with Rule 12 of the Companies (Management and Administration) Rules 2014 (as amended) a copy of the Annual Return of the Company is hosted on its website and can be accessed at http://www.ushamartin.com/investor-relation.

Number of Meetings of Board and it's Committees

The details regarding meetings of the Board and Committees have been provided in the Corporate Governance Report forming part of this Report.

Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees or investments are provided in the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

During the year under review, in compliance with the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all related party transactions had been placed before the Audit committee for approval. Necessary approval of the Board has also been obtained where required. Relevant disclosure has been made in Form AOC–2 pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended) given as an annexure to this Report. The Related Party Transaction Policy as approved by the Board is hosted on the Company's website www.ushamartin.com.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 (as amended) is annexed separately and forms part of this report.

Risk Management

The Audit committee of the Board of Directors of the Company was entrusted with assisting the Board in discharging its responsibilities towards management of material business risk (material business risks include but is not limited to operational, financial, sustainability, compliance, strategic, ethical, reputational, product quality, human resource, industry, legislative or regulatory and market related risks) including monitoring and reviewing of the risk management plan / policies in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has formulated a Risk Organisation Structure as part of a risk mapping exercise which reviews risks, identifies ownership of risk, assesses the implication of such risks and the method to mitigate the same. The Board has on 20th May 2021 constituted a separate Risk Management Committee comprising of Mr. Vijay Singh Bapna as Chairman, Mrs. Ramni Nirula, Mr. R Venkatachalam, Mr. D J Basu and Mr. Devadip Bhowmik as Members.

Material Changes Between the End of the Financial Year and Date of Report

There has been no material changes subsequent to the end of the Financial Year and the date of this report which requires to be specifically reported other than as mentioned hereinafter.

The Board of Directors of the Company at their meeting held on 20th May, 2021 approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 which provides for reduction and reorganisation of capital of the Company with effect from the Appointed Date as defined in the Scheme. The Scheme as approved by the Board would be available on the website of the Company post filing of the same with stock exchanges. The Board's approval of the Scheme as aforesaid is subject to necessary approvals by the stock exchanges, SEBI, shareholders of the Company, Kolkata Bench of National Company Law Tribunal and such other statutory and regulatory approvals as may be required.

Appreciation

Your Directors place on record their appreciation for the valuable co-operation and support of its employees, customers, suppliers, contractors, shareholders, investors, government authorities, financial institutions, banks and other stakeholders.

On behalf of the Board of Directors

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Place : Kolkata
Date : 20th May, 2021

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

The year 2020 has been a historic year for the global economy. The pandemic which raged through the continents impacted all lives on this planet. The global economy is now beset by a recession. One year into the pandemic, global prospects remain highly uncertain. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. As per International Monetary Fund, global growth is projected at 6% in 2021, moderating to 4.4% in 2022. Although global economic output is recovering from the collapse triggered by COVID-19, it will remain below pre-pandemic trends for a prolonged period. The pandemic has exacerbated the risks associated with a decade-long wave of global debt accumulation. It is also likely to steepen the long-expected slowdown in potential growth over the next decade.

With the advent of the second wave of COVID-19 the Global Economy is reeling with uncertainties. The pandemic has already resulted in massive loss of lives, depressed economic activities and incomes. Containment or restrictive measures are being taken throughout which for obvious reasons has a negative or disruptive impact on economic activities including disruptions in production-consumption chain. With the commencement of global drive on vaccinations, silver lining is in sight. However the near-term outlook remains highly uncertain as various outcome with respect to economic growth is possible from the view of containment and restricting the spread of the contagion. The future is highly dependent on ability and success of the policy makers across the globe to implement reforms for equitable and sustainable economic growth.

INDUSTRY OVERVIEW AND BUSINESS OVERVIEW

The Indian steel industry grappled with tough times in running their operations as a sharp plunge in demand for steel soon after the coronavirus pandemic was witnessed and subsequent lockdowns disrupted overall economic activities. Adverse market conditions forced steelmakers to cut down their operations by up to 50% at the end of 2019-20 and early part of the 2020-21 as well. There was a shortage of manpower as many workers migrated to their native places amid the lockdown as well as limitations on the number of staff working at an office or site after gradual unlocking. The nationwide lockdown came into force in late March 2020 and the relaxations began in a phased manner only in June 2020.

The Government of India has put emphasis on accelerating the growth momentum of the country by targeting infrastructural growth including road, rails, urban, power, ports, shipping etc. The infrastructure sector has the potential to kick start the economy, boost capex cycle, create jobs outside the urban centres and hopefully provide impetus to the heavy vehicle segment. The National Infrastructure Pipeline (NIP), creation of Development Financial Institution, Production Linked Incentive Scheme, Vehicle Scrapping Policy, coverage of one crore more families under Ujjwala Yojana and various other plans initiated by the Government will boost domestic production. All these measures and thrust on infrastructural development will have a major positive impact on the demand for steel in the long run.

During the year under review the demand in realty and construction sector witnessed a bit of revival and also with the expected steady spending on infrastructure by government(s) the LRPC strands and speciality products used in the said sectors might prove to be growth drivers for the Company in coming year(s). Further with realty sector crawling back to normalcy the demand for elevator ropes is expected to pick up. The year under review, primarily due to social distancing norms, saw improvement in automobile sector which in turn has resulted in renewed demand of value added products of the Company such as spring wire and other wires which are especially attributable to the said sector. The last quarter of the financial year under review witnessed uptick in demand in oil and offshore market globally, thereby boosting up demand for large diameter ropes manufactured by the Company. However during the year under review due to the current geopolitical scenario, the domestic demand for fishing ropes especially in western India went through a rough patch. The Company during the next fiscal aims to expand its global market presence in Elevator Ropes, Crane Ropes, Surface Mining Ropes and Trawler Ropes segments and vis-a-vis expects the exports to countries such as Singapore, Australia, USA, Canada, South Africa, Latin America and Russia to increase.

However due to a surge in global steel demand vis–a–vis production curbs in China and steep hikes in global iron ore prices, high carbon wire rods prices have hit an unprecedented high by end of FY 2020-21, impacting steel producers adversely. Further logistic cost has skyrocketed during the fourth quarter of FY 2020-21 with ocean freight going up by as much as three times to certain destinations. Raw material sourcing is likely to remain a major challenge in FY 2021-22 and beyond and so expanding the raw material supplier base – both nationally and internationally to be on the fast track. Enrichment of product mix will continue to be one of the key drivers by exiting from low contributory items gradually and focusing more on high value added products, with the aim to shift the focus from Volume to Value. Business through service oriented projects and import substitution is already on the rise and expected to grow further in this fiscal. The 'Make in India' policy of the Government of India is expected to add impetus on this further. In the new world order post-pandemic, Digital Marketing is likely to become the tool for future growth and the degree of Digital Transformation that a Company undergoes will become the key business differentiator. Establishing highly interactive digital marketing channels, using advanced tools & techniques will help to aggressively increase customer engagement, develop interest and awareness among referral communities/ B2B decision makers, generate online leads, build online reputation and ultimately enhance brand value.

PERFORMANCE REVIEW

On a standalone basis, during FY 2020-21, the Company achieved gross production of Wire Ropes and Conveyor Cord of 55,718 MT against 65,117 MT in FY 2019-20. The gross production of Strand, Wire, LRPC, Bright Bar was 85,291 MT in FY 2020-21 against 99,961 MT in FY 2019-20. Production of the total Value Added products was lower by about 14.58% in FY 2020-21 compared to that in the previous financial year as the Company decided consciously to exit certain low margin products.

PRODUCTION VOLUME VA PRODUCTS–STANDALONE

Qty in MT	FY 2020-21	FY 2019-20
Wire Ropes	53,379	63,685
Wire/ Strands/LRPC	85,291	99,926
Conveyor Cord	2,339	1,432
Bright Bar	-	35

During the year, consolidated turnover of the Company stood at Rs. 2,097.28 Crore which is 2.63% lower than Rs. 2,153.82 Crore in the previous year. On standalone basis, the Company's turnover decreased by 3.38% to Rs. 1,345.60 Crore in the current Financial Year from Rs. 1,392.62 Crore in the previous year.

The EBIDTA achieved by the Company on consolidated basis was Rs. 312.56 Crore being 14.90% of the reported turnover, and on standalone basis at Rs. 205.52 Crore, being 15.27% for the reported turnover against Rs. 284.96 Crore and Rs. 200.55 Crore respectively in previous year.

INTERNATIONAL BUSINESS

Usha Martin International Limited [UMIL]: UMIL is a wholly owned subsidiary of the Company located in United Kingdom which enjoys a presence in Europe through its wholly owned step-down subsidiaries, namely:

a) Usha Martin UK Limited which comprises manufacturing distribution and end use solutions for wire ropes to offshore oil and gas sectors,

b) De Ruiter Staalkabel B.V. Netherlands which has end use solutions and distribution facilities for wire ropes, and

c) Usha Martin Italia which has set up R&D Centre for wire ropes.

The consolidated performance of UMIL during the year under review has been provided herein under:

GBP in Mn

UMIL	FY 2018-19	FY 2019-20	FY 2020-21
Turnover	44.6	44.3	40.5
PAT (including OCI)	1.4	2.4	2.3

Brunton Wire Ropes FZCo (earlier known as Brunton Wolf Wire Ropes FZCo.) [BWR]: BWR, located in United Arab Emirates was a joint venture of the Company with Gustav Wolf of Germany. However during the 3rd quarter of the year under review, subsequent to restructuring, BWR became a subsidiary of the Company wherein the Company holds 75% of the paid-up capital of BWR and balance 25% of paid-up capital is held Usha Martin Americas Inc. (a wholly owned subsidiary of the Company). The performance of BWR during the year under review has been provided herein under:

USD in Mn

BWWR	FY 2018- 19	FY 2019-20	FY 2020-21
Turnover	23.0	22.7	20.6
PAT (including OCI)	0.5	0.8	0.6

Usha Martin Singapore Pte Limited [UMSPL]: UMSPL located at Singapore is a wholly owned subsidiary of the Company which is in business of warehousing and distribution of wire ropes in Asia Pacific region by itself and through its following wholly owned subsidiaries –

- Usha Martin Australia Pty Limited;
- Usha Martin Vietnam Company Ltd;
- PT Usha Martin Indonesia; and
- Usha Martin China Company Limited.

USD in Mn

UMSPL	FY 2018-19	FY 2019-20	FY 2020-21
Turnover	22.4	27.9	24.6
PAT (including OCI)	(0.7)	(0.1)	1.6

Usha Siam Steel Industries Public Company Limited [USSIL]: USSIL is a subsidiary of the Company situated in Thailand in which the Company along with Usha Martin Singapore Pte Ltd., holds 97.98% of the equity of USSIL. The performance of USSIL during the year under review has been provided herein under:

THB in Mn

USSIL	FY 2018-19	FY 2019-20	FY 2020-21
Turnover	1,470.7	1,363.1	1,275.2
PAT (including OCI)	2.3	(12.5)	2.7

Usha Martin Americas Inc [UMAI]: UMAI is a wholly owned subsidiary of the Company having manufacturing facilities at Houstan, United States of America. The performance of UMAI during the year under review has been provided herein under:

USD in Mn

UMAI	FY 2018-19	FY 2019-20	FY 2020-21
Turnover	8.4	8.1	8.0
PAT (including OCI)	0.2	1.0	0.2

DOMESTIC BUSINESS

U M Cables Limited [UMCL]: UMCL is a wholly owned Indian subsidiary of the Company, engaged in business of telecommunication cables. Its manufacturing facility is located at Silvassa, India. The performance of UMCL during the year under review has been provided herein under:

Rs. in Crore

UMCL	FY 2018-19	FY 2019-20	FY 2020-21
Turnover	103.1	73.3	93.2
PAT (including OCL)	(33.3)	(11.3)	2.7

KEY FINANCIAL RATIOS

The key financial ratios of the Company for the current financial year as compared to the previous financial year for continuing operations are provided herein under:

Particulars	FY 2020-21	FY 2019-20	Change%	Reasons for change
Debtors Turnover (days)*	45.0	44.0	2.3	Debtors turnover marginally increased due to impact of COVID-19 pandemic during the Financial Year 2020-21.
Inventory Turnover (days)*	108.0	102.8	5.06	Inventory turnover increased due to increase in value and quantum of raw material holding during the latter part of Financial Year 2020-21.
Interest Coverage Ratio (times)*	3.9	3.0	30.0	Interest coverage ratio has increased due to reduction in finance cost and increase in profits during Financial Year 2020-21.
Current Ratio (times)	1.4	1.3	7.7	Current ratio has improved on account of reduction of current borrowing levels and increase in closing inventory and debtors.
Debt Equity Ratio (times)	0.4	0.6	(0.3)	Debt equity ratio has improved on account of repayment of debts.
Operating Profit Margin-EBIT (%)*	13.0	12.4	4.8	Operating profit margin has improved on account of improved sales realisation during the Financial Year 2020-21.
Net Profit Margin (%)#	7.5	28.4	(73.6)	Net profit margin is not comparable as last year's margin includes profit from sale of Steel business.
Return On Net worth (%)#	13.0	64.3	(79.8)	Return on Net worth is not comparable as last year's return includes profit from sale of Steel business.

**Continuing Operation*
#Continuing and Discontinued Operation

OPPORTUNITIES, THREATS, RISKS & CONCERNS

Opportunities:

- Improvement in Oil and Offshore Market globally could boost up demand for speciality products.
- The Government of India announcements of development programmes and subsequent investment in infrastructure sector is expected to give impetus to production of LRPC strands and certain categories of ropes.

Threats:

- Downturn in demand and market sentiments could lead to loss in business.
- Recovery of huge price increase in steel from finished products would pose a major challenge.
- Increased cost of logistics particularly ocean freight may have a medium term adverse impact.
- Depressed demand of Fishing Ropes in India.
- Adaptability to the technological challenges in the digital platform of work in business activities during pandemic.

Risks & Concerns:

- Prolonged continuation of COVID–19 pandemic will eventually impact business including health and safety of employees.
- Disruption of operations due to extreme measures taken by Government(s) to contain the pandemic.
- Extended credit period to customers due to various circumstances including but not restricted to disruption in transportation, human capital availability, restricted cash flow arising out of pandemic.
- Disruption of supply chain.

OUTLOOK

A long path of recovery can be expected from the impact of the pandemic through additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021 and continued adaptation of economic activity to subdued mobility. High uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalisation, and the evolution of financial conditions. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis. Making the right investments now is vital both to support the recovery when it is urgently needed and foster resilience. The response to the pandemic crisis today will shape the future for years to come. The Company is gearing itself to deal with all possible situations whether they are opportunities or adversaries during these uncertain times. The uncertainties in growth of key sectors are very high and hence the outlook with respect to market dynamics in near term is uncertain and may not be forecasted.

However, global demand for the oil and offshore market saw improvement during the year under review which in turn gave an impetus to the demand and production of speciality rope products of the Company catering to the said sectors. The Company is hopeful that the demand for the said sector will be sustainable in the next fiscal and provide increased business opportunities to the Company. Further with steady infrastructure spending by the government, speciality products used in construction and infrastructural sector may be growth drivers for the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control procedures which is commensurate with its size and nature of business in order to fairly ensure efficient usage and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and procedures. Further authorisation and approval levels for various functions exist and are mapped within SAP environment to ensure controls at source. The Company had engaged a firm of international repute to act as internal auditors of the Company. The Audit Committee of the board periodically reviews Internal Audit reports, progress in implementation of Committee's recommendations and the adequacy of internal control systems.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continued various people development initiatives like Learning & Development through classroom training and Executive Development Programmes for high potential employees in line with their training needs. To maintain focus on succession planning, the Company provided opportunities like job rotation, job enrichment for high potential and high performing individuals. Fresh graduate engineers and diploma holders are recruited for creating talent pool through proper training and mentoring. The Industrial Relations during the year was cordial and the Company executed long term settlement with recognised unions covering wages and service conditions. The Company continues to focus on various initiatives for upliftment and capacity building of stakeholders in surrounding villages where the plants are located. Efforts are in place for convergence of government programmes relating to income generation through livelihood activities.

APPRECIATION

The Company has been getting necessary support and cooperation from all sections of customers, suppliers, service providers, investors, authorities, lenders and employees of the Company to whom the Company expresses its sense of appreciation.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax law and other statutes and incidental factors.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L31400WB1986PLC091621
2. Name of the Company : Usha Martin Limited
3. Registered Address : 2A Shakespeare Sarani, Kolkata – 700071
4. Website : www.ushamartin.com
5. E-mail id : investor@ushamartin.co.in
6. Financial Year reported : 2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Description	NIC Code
Wire, Wire Rope, Strands including Locked Coil Wire Ropes	3310

8. List three key products/services that the Company manufactures/provides (as in balance sheet): Wire & Wire Rope, Strands including Locked Coil Wire Ropes.
9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5): NIL (on a standalone basis).
   (b) Number of National Locations : 6 (Six)
      i) Plant and manufacturing facilities – 2
      ii) Registered office and Branches - 4
10. Markets served by the Company – Local/State/National/International : The Company has a pan India market presence and also serves international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital : Rs. 304,741,780
2. Total Turnover : Rs. 13,456,021,241
3. Total profit after taxes : Rs. 1,005,234,774
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : The Company need not statutorily incur any corporate social responsibility spending owing to absence of profits (calculated in the manner as laid down in Section 198 of Companies Act, 2013) over the last three years and hence the Company had not made any CSR spending as required under Section 135 of the Companies Act, 2013.
5. List of activities in which expenditure in 4 above has been incurred:- Not Applicable

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?: Yes, as on 31st March, 2021 the Company has 19 subsidiaries which included step-down subsidiary companies.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company ? If yes, then indicate the number of such subsidiary Company(s): The subsidiary companies define their own initiatives based on their specific content and have access to information and expertise residing with the parent Company.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:
   (a) Details of the Director/Director responsible for implementation of the BR policy/policies
      1. DIN Number : 00086164
      2. Name : Mr. Rajeev Jhawar
      3. Designation : Managing Director
   (b) Details of the BR head

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	02498037
2	Name	Mr. Dhrub Jyoti Basu
3	Designation	Whole-time Director
4	Telephone number	033 - 7100 6300
5	e-mail id	djbasu@ushamartin.co.in

2. Principle-wise (as per NVGs) BR Policy/policies: The National Voluntary Guidelines (NVGs) on Social, Environment and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA) advocates the nine principles (detailed below) as P1 – P9 to be followed:

   P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

   P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

   P3: Businesses should promote the well-being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies of the Company generally conform to the Principles of the National Voluntary Guidelines (NVGs) on Social, Environment and Economic Responsibilities of Business, issued by the Ministry of Corporate Affairs (MCA), Government of India in July, 2011								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies are uploaded on the website of the Company at www.ushamartin.com under the segment 'Investor Relation'. The web link on which the policies can be viewed are www.ushamartin.com/investor-relation/. Other internal policies are made available to its stakeholders as and when required.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	NA	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 Months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	@	-	-

@The Company does not have a separate policy on "policy advocacy". For advocacy on policies related to its sector, The Company works through industry associations. The policy advocacy through these industry associations is done by sending representations to the regulatory authorities.

BUSINESS RESPONSIBILITY REPORT

3. Governance related to BR
   (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year : *The BR performance of the Company is reviewed by the Board of Directors of the Company on an annual basis.*

   (b) Does the Company publish a BR or a Sustainability Report ? What is the hyperlink for viewing this report ? How frequently it is published ? *The Company publishes the Business Responsibility Report as part of the Annual report of the Company. The Annual report is uploaded on the website of the Company www.ushamartin.com*

SECTION E: PRINCIPLE-WISE PERFORMANCE

Sl. No.	Question	Answers
Principle 1		
1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	To enhance the standards of ethical conduct, which are based on core Usha Martin group values, the Company has in place 'Code of Conduct for the Board of Directors and Senior Management Personnel'. The Code serves as a source of guiding principle for all Directors and Senior Management of the Company and empowers them to achieve good corporate governance by complying with all laws, rules and regulations applicable to the Company and fulfilling responsibilities towards all stakeholders. The Company continuously reviews and upgrades the procedures and practices. The Code does not extend to Group / Joint Venture / Suppliers / Contractors/ NGOs/ Others. However the Company ensures fair dealings with customers, suppliers, contractors and other stakeholders of the Company.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	During the Financial Year 2020-21, no complaint was received regarding ethical and other matters contained in this principle. Some of the promoters of the Company had filed a petition of oppression and mismanagement against the Company and its Managing Director in 2017 and it is pending adjudication at NCLT Kolkata. The matter is sub-judice.
Principle 2		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	Combination fishing rope
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	a) The use of grease has been eliminated and ropes are now plasticated, which are comparatively safer for marine life. Switching to Combination Fishing Rope from Bare Rope resulted in reduction of steel and grease consumption during production. b) Such data is not tracked by the Company on a regular basis and therefore not applicable for this report.
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	The Company has an adequate vendor management system and takes proper measures for identification and assessment of suppliers. Raw material, packing material and transportation services are sourced from approved suppliers. The Company endeavors to source its supplies in such a manner so as to minimise freight cost and avoid uncertainty. This also helps in improving/developing socio economic conditions including increase of employment, gives cost advantage in sourcing and also leads to lower diesel consumption, which in turn, reduces air pollution and helps conserve natural resources.
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	To make the local and small producers an integral part of the supply chain, the Company procures certain material from local manufacturers surrounding the plant. Various training programmes for capacity and capability development are organised to encourage local vendors. Regular technical and design related guidance are imparted to develop manufacturing skills to meet the standards. Further, one to one meetings with suppliers are organised as and when required.

Sl. No.	Question	Answers
5.	Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company presently recycles waste oil, die soap & waste water for reuse of the same in production process. The percentage of recycling of products and waste is given below: • Percentage of oil recycling: = 5-10% • Percentage of soap recycling: = >10% • Waste water recycling: = >10%
Principle 3		
1.	Please indicate the total number of employees	2,271 (Permanent employees as on 31.03.2021)
2.	Please indicate the total number of employees hired on temporary / contractual / casual basis.	1,928
3.	Please indicate the number of permanent women employees.	9
4.	Please indicate the number of permanent employees with disabilities.	7
5.	Do you have an employee association that is recognised by management.	Yes, there are five labour unions.
6.	What percentage of your permanent employees is members of this recognised employee association?	76.53%
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL
8.	What percentage of your under mentioned employees were given safety & skill up- gradation training in the FY 2020-21? a) Permanent Employees b) Permanent Women Employees c) Casual / Temporary / Contractual Employees d) Employees with Disabilities	 a) 50.66% b) 33.33% c) 21.19% d) 100%
Principle 4		
1.	Has the Company mapped its internal and external stakeholders? Yes/No	Yes, the Company has mapped its internal and external stakeholders. The Company engages with all stakeholders including investors, customers and suppliers.
2.	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.	There are none to the best of our knowledge.
3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.	Not Applicable.
Principle 5		
1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The Company has in place policy on human rights issues which are recognised and respected for all the stakeholders within the Company and outside the Company as well.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received for human rights violation during reporting period.
Principle 6		
1.	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.	The Company has in place Integrated Management System Policy which acts as a guiding principle to provide quality products and services keeping in mind the environmental concerns. The policy extends to the Company/ Suppliers/Contractors/ NGOs/others.

BUSINESS RESPONSIBILITY REPORT

Sl. No.	Question	Answers
2.	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	The Company recognises global environmental concerns and has taken various initiatives to address global environmental issues such as climate change, global warming, etc. Some of the initiatives undertaken by the Company are as follows: • Use of LPG fired furnace; • Utilising Biomass briquette for hot water generation; • Use of energy efficient LED bulbs; • Replacement of three phase motors installed at wire mill & furnace area by energy efficient motors, as required; • Every year large number of tree plantations are carried out within the plant area and also in nearby villages under social forestry. Further, the Environmental Management System implemented at the Company's factories situated in the States of Jharkhand and Punjab are certified by competent accreditation bodies in line with international standards such as to ISO 14001:2015 certification. Efforts are being taken to minimise the process emission, reduction in consumption of energy, water and raw materials and waste minimisation.
3.	Does the Company identify and assess potential environmental risks? Y/N	Yes, the Company has an Environment Management System in place to identify and assess existing and potential risks across its operations.
4.	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company does not have any project related to Clean Development Mechanism at present.
5.	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	'Elevator Shed' project has been undertaken, where energy efficiency is taken care of while selecting machines / sensor based illumination system / daylight utilisation, etc.
6.	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	During the year under review the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB.
7.	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	At the end of the financial year there are two notices which are pending for adjudication with the concerned authorities.
Principle 7		
1.	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Some of the major industry associations of which the Company is a member include: • Steel Wire Manufacturers Association of India • Bengal Chamber of Commerce and Industry • Confederation of Indian Industry • Federation of Indian Export Organisation • Engineering Export Promotion Council of India • Camera di Commercio di Brescia (Chamber of commerce in Brescia, Italy)
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	The Company engages with these industry / trade associations actively participating and representing the Company in their programmes / meetings to promote a collaborative ecosystem focused on delivering sustainable value creation as well as gaining knowledge for informed decision making.

Sl. No.	Question	Answers
Principle 8		
1.	Does the Company have specified programmes / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company has specified programmes for overall improvement of rural communities in and around the factory situated at Ranchi. The programme consists of village development in five pillars i.e, enhancing natural village development, safe drinking water and health with hygiene, capacity development through training, livelihood generation for women empowerment, and co-ordination with government programmes for implementation. The Company also encourages its suppliers and contractors to ensure inclusive growth and equitable development.
2.	Are the programmes / projects undertaken through in-house team /own foundation / external NGO / government structures/any other organisation?	The aforesaid programmes are presently implemented through a separate trust known as "Usha Martin Foundation". This trust was created by the Company during 2019-20. Prior to that the aforesaid programmes were implemented through an in-house CSR team. External agencies may be engaged when felt necessary for capacity building and implementation of government schemes.
3.	Have you done any impact assessment of your initiative?	The impact assessment of the initiatives are undertaken by Citizen Foundation which is a notified agency by the Government of Jharkhand.
4.	What is your Company's direct contribution to community development projects- Amount in Rs. and the details of the projects undertaken.	As per the provisions of Section 135 of the Companies Act, 2013, the Company need not statutorily incur any social responsibility spending owing to absence of profits over the last three years. However, the Company voluntarily and directly contributes to community development in the following areas: Natural resource management, healthcare and sanitation, capacity building, income generation through livelihood activities and convergence and coordination with government programmes. The Company works towards building deep tubewells as well as repair of existing tubewells. Training for employment, piggery, duckery & poultry for income generation is also carried out. The Company continuously strives to achieve equitable development in the vicinity of its manufacturing units.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	The Company has been targeting rural community for development and contributes for the following: • Enhancement and strengthening capabilities of stakeholders. • Promoting sharing and exchange of experience and innovation. • Nurturing good practices and developing as a networking bridge of the Company. • Connecting with suitable service providers, both government and non-government.
Principle 9		
1.	What percentage of customer complaints / consumer cases are pending as on the end of financial year.	As at the end of the financial year 6.9% of the complaints raised by various customers were pending.
2.	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Yes. Product information is mentioned on the tags attached with every piece of product.
3.	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None. There have been no cases relating to unfair trade practices, irresponsible advertising and/or anticompetitive behaviour against the Company during the last five (5) years.
4.	Did your Company carry out any consumer survey / consumer satisfaction trend	The Company interacts and obtains feedback from customers on a periodical basis regarding consumer satisfaction. Special initiatives like 'CVM' (Customer Value Management) is practiced judiciously to address the needs of the customers identified from time to time.

REPORT ON CORPORATE GOVERNANCE

A. COMPLIANCE OF MANDATORY REQUIREMENTS

I. Company's Philosophy on Corporate Governance

The Company is committed to the highest standards of business ethics and corporate governance. The philosophy of the Company on Corporate Governance envisages attainment of high level of transparency, accountability and equity in all areas of its operations and interactions with customers, shareholders, investors, employees, government authorities and lenders.

II. Board of Directors

The Board of Directors of the Company as on 31st March, 2021 comprised of the following Directors:

Name of Directors	Promoter/ Executive/ Non-Executive/ Independent	No. of Other* Director-ships held	Name of other Listed Company in which Directorship is held & Category	Other committee positions held**		No. of Equity Shares held$	Relationship between directors
				As Chairman	As Member including Chairmanship		
Mr. Mukesh Rohatgi	Independent, Non-Executive, Chairman	None	-	None	None	NIL	None
Mr. Vijay Singh Bapna	Independent, Non-Executive	3	MMP Industries Ltd., Independent Director Global Education Limited, Independent Director Lagnam Spintex Limited, Independent Director	3	5	NIL	None
Mrs. Ramni Nirula	Independent, Non-Executive	3	HEG Limited, Independent Director PI Industries Limited, Independent Director DCM Shriram Limited, Independent Director	None	2	NIL	None
Mr. Venkatachalam Ramakrishna Iyer	Non-Executive, Nominee of State Bank of India (Lender)	1	Canara Bank, Independent Director	2	2	NIL	None
Mr. Rajeev Jhawar	Managing Director, Promoter	3	Orient Cement Ltd., Independent Director	None	2	26,11,969	None
Mr. Dhrub Jyoti Basu@	Whole Time Director	5	-	None	None	Nil	None
Mr. Devadip Bhowmik#	Whole Time Director	1	-	None	None	Nil	None

Mr. Pravin Kumar Jain, Joint Managing Director [DIN: 02583519] passed away on 17th May, 2020.

Mr. Brij Kishore Jhawar, Non-Executive Director [DIN: 00086200] ceased to be Director of the Company on 23rd September, 2020 as due to his failing health he chose not to be re-appointed and hence retired at the Annual General Meeting held on 23rd September, 2020.

@Mr. Dhrub Jyoti Basu [DIN: 02498037] was appointed as Whole Time Director of the Company w.e.f. 6th June, 2020 for a period of 3 (three) years.

#Mr. Devadip Bhowmik [DIN: 08656505] was appointed as Additional Director (Whole Time) of the Company for a period of 5 (five) years w.e.f. 15th March, 2021. Resolution for approval of shareholders shall be placed at the forthcoming Annual General Meeting of the Company.

**Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 ("the Act"), have not been considered for this purpose. Listed entities have been identified from confirmations / declarations received from respective Directors and Corporate Identification Number (CIN) as available on the Ministry of Corporate Affairs' (MCA) website for companies.*

***Represents Membership / Chairmanship of only two Committees vis, Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies – Listed and Unlisted (other than foreign companies, private companies and companies formed under Section 8 of the Act).*

$None of the Non-Executive Directors hold equity shares or any convertible instruments of the Company.

All Independent Directors have confirmed their 'Independence' to the Board of the Company in accordance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ["SEBI (LODR)"]. All the Independent Directors have also confirmed that their names are duly registered in the data bank of Independent Directors as maintained by the Indian Institute of Corporate Affairs in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time. At the financial year-end, declarations have been received from Directors informing their directorship and committee positions occupied in other companies.

The Company imparted various familiarisation programmes for its Directors which included review of industry outlook and regulatory updates at Board and Audit Committee Meetings, presentations on internal controls over financial reporting, prevention of insider trading regulations, framework for related party transactions, plant visit, meeting with senior officials of the Company. Details of familiarisation programmes for Independent Directors of the Company are provided under 'Investor' section of the Company's website at www.ushamartin com.

As per stipulations in Para VII of the Code for Independent Directors in Schedule IV of the Act and as per SEBI (LODR), a separate meeting of the Independent Directors was held on 6th June, 2020 and was attended by all the Independent Directors.

Directors Attendance at Board Meetings and Annual General Meeting

Five Board Meetings were held during the year on 6th June, 2020, 11th August, 2020, 10th November, 2020, 8th February, 2021 and 15th March, 2021. Annual General Meeting [AGM] was held virtually through audio-video mode on 23rd September, 2020 in terms of the General Circular No. 14/ 2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs and the SEBI Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/ 79 dated 12th May, 2020.The details of their attendance during the year is given below:-

Name of Directors	Board Meetings during the year/ tenure		Attendance at last AGM
	Held	Attended	
Mr. Mukesh Rohatgi	5	5	Yes
Mr. Vijay Singh Bapna	5	5	Yes
Mrs. Ramni Nirula	5	5	Yes
Mr. Venkatachalam Ramakrishna Iyer	5	5	No
Mr. Brij Kishore Jhawar*	2	1	No
Mr. Rajeev Jhawar	5	5	Yes
Mr. Pravin Kumar Jain#	NA	NA	NA
Mr. Dhrub Jyoti Basu**	5	5	Yes
Mr. Devadip Bhowmik***	1	1	NA

#Mr. Pravin Kumar Jain, Joint Managing Director [DIN: 02583519] passed away on 17th May, 2020.

**Mr. Brij Kishore Jhawar, Non-Executive Director [DIN: 00086200] ceased to be Director of the Company on 23rd September, 2020 since due to his failing health he chose not to be re-appointed and hence retired at the Annual General Meeting held on 23rd September, 2020.*

***Mr. Dhrub Jyoti Basu [DIN: 02498037] was appointed as Whole Time Director of the Company by the Board of Directors at their Meeting held on 6th June, 2020 for a period of 3 (three) years w.e.f. 6th June, 2020. The shareholders at the AGM held on 23rd September, 2020 approved his appointment and the remuneration payable to him for the aforesaid period.*

****Mr. Devadip Bhowmik [DIN: 08656505] was appointed as Additional Director (Whole Time) of the Company for a period of 5 (five) years w.e.f. 15th March, 2021.*

Code of Conduct

Pursuant to provisions of SEBI (LODR), the Board has framed a 'Code of Conduct for Board of Directors and Senior Management' ("Code of Conduct") which is available on the Company's website at www.ushamartin.com. All Directors and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct as at 31st March, 2021. A declaration to this effect signed by the Managing Director is annexed to this report.

III. Audit Committee

The terms of reference of the Audit Committee include the powers and roles as set out in SEBI (LODR) and Section 177 of the Act. Among others the Audit Committee reviews related party transactions; internal control systems; financial statements and investments made by unlisted subsidiaries; use and application of funds raised through issue of shares, if any; business plans; implementation of risk management systems; management discussion and analysis of financial condition and results of operations.

As per the Company's 'Code of Conduct for Prevention of Insider Trading' (Code) framed pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Audit Committee has been authorised to implement and monitor various requirements as set out in the Code.

Four meetings of the Audit Committee were held during the year on 6th June, 2020, 11th August, 2020, 10th November, 2020 and 8th February, 2021.

Composition of the Audit Committee and attendance during the year:

Particulars			No. of Meetings during the year/ tenure	
			Held	Attended
Mr. Vijay Singh Bapna	Chairman	Independent, Non-Executive	4	4
Mr. Mukesh Rohatgi	Member	Independent, Non-Executive	4	4
Mr. Rajeev Jhawar*	Member	Managing Director, Executive	4	4
Mr. P K Jain*	Member	Jt. Managing Director, Executive	-	-

**Mr. Rajeev Jhawar was inducted as Member of the Audit Committee w.e.f. 25th May, 2020 in place of Mr. P K Jain who deceased on 17th May, 2020.*

REPORT ON CORPORATE GOVERNANCE

All the members of the Audit Committee are financially literate with considerable knowledge and expertise in finance and accounts.

The Whole Time Directors, Chief Financial Officer and Business Heads of the Company attend Meetings of the Audit Committee as invitees, as and when required.

The Statutory Auditors remain present during discussion and review of quarterly results and annual financial statements as invitees in Meetings of the Audit Committee. The Internal Auditors and Cost Auditors are invited to attend Meetings, as and when required.

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

Mr. Vijay Singh Bapna, Chairman of the Audit Committee was present at last Annual General Meeting held virtually by audio-video mode on 23rd September, 2020.

IV. Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee include the role set out in the SEBI (LODR) and Section 178 of the Act. Among others, the Committee shall formulate criteria for determining qualifications, positive attributes and independence of a Director; recommend a Policy relating to the remuneration of Directors, Key Managerial Personnel and other employees; review and recommend to the Board all remuneration payable to the Key Managerial Personnel and Senior Management; formulate criteria for evaluation of Independent Directors and the Board; devise a Policy on Board diversity and identify persons who are qualified to become Directors as well as who may be appointed as Senior Management Personnel.

Two meetings of the Nomination and Remuneration Committee were held during the year on 6th June, 2020 and 8th February, 2021.

Mrs. Ramni Nirula, Chairperson of Nomination & Remuneration Committee was present at last Annual General Meeting held virtually by audio-video mode on 23rd September, 2020.

Performance Evaluation

Every Director of the Company individually evaluates performance of other Directors and submits their report to the Chairman of Nomination & Remuneration Committee based upon parameters like attendance, participation in discussion at Meetings, use of independent judgment, etc. Thereafter on such individual assessment made by the Directors, the Chairperson of Nomination & Remuneration Committee provides an overall report to the Chairman of the Board which is discussed and reviewed at a Board Meeting.

Remuneration Policy

The Company has a Remuneration Policy for Directors, Senior Management Personnel and other employees.

The aforementioned remuneration policy inter–alia covers salary, perquisites and retiral benefits payable to Executive Directors, Senior Management Personnel and other employees of the Company.

A copy of the same is annexed to the Directors' Report and is also available on the Company's website at www.ushamartin.com/investor-relation.

Composition of the Nomination and Remuneration Committee and attendance during the year:

Particulars			No. of Meetings during the year/ tenure	
			Held	Attended
Mrs. Ramni Nirula	Chairperson	Independent, Non-Executive	2	2
Mr. Mukesh Rohatgi	Member	Independent, Non-Executive	2	2
Mr. Venkatachalam Ramakrishna Iyer	Member	Non-Executive, Nominee	2	2

The break-up of remuneration paid to the Managing Director, Joint Managing Director and Whole Time Directors for the Financial Year 2020-21 is given below:

(Rs. in Lakh)

Names	Mr. Rajeev Jhawar*	Mr. Pravin Kumar Jain**	Mr. Dhrub Jyoti Basu***	Mr. Devadip Bhowmik****
Position	Managing Director	Jt. Managing Director	Whole Time Director	Whole Time Director
Period	FY 2020-21	01.04.2020 – 16.05.2020	06.06.2020-31.03.2021	15.03.2021 – 31.03.2021
Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	85.50	12.04	41.01	3.80
Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	20.05	2.90	0.77	0.14
Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-	-
Others (includes PF, Gratuity, GPA, etc.)	17.84	-	6.55	0.20
Commission	-	-	-	-
Total	**123.39**	**14.95**	**48.33**	**4.13**
Service Contract	For a period from 19th May, 2013 to 18th May, 2018 which was further renewed till 18th May 2023.	For a period from 5th February 2019 to 31st January, 2020 which was further renewed from 1st February, 2020 till 31st January, 2021. However, Mr. Jain deceased on 17th May, 2020.	For a period from 6th June, 2020 till 5th June, 2023	For a period from 15th March, 2021 till 14th March, 2026.
Notice Period	6 months from either side	3 months from either side	3 months from either side	3 months from either side
Severance Fees	6 months' salary in lieu of notice.	3 months' salary in lieu of notice.	3 months' salary in lieu of notice.	3 months' salary in lieu of notice.
Stock Options	None	None	None	None

**Mr. Rajeev Jhawar was re–appointed as Managing Director of the Company for a period of 5 years effective from 19th May, 2018 to 18th May, 2023. The remuneration paid to Mr. Jhawar did not exceed Rs. 1.48 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 19th May, 2018 till 18th May, 2021. The said re-appointment and remuneration paid to Mr. Jhawar was approved by the shareholders at the Thirty Second Annual General Meeting of the Company held on 18th September, 2018. Further, the Board at its meeting held on 8th February, 2021 approved payment of remuneration of Rs. 1.24 Crore per annum to Mr. Jhawar for the period from 19th May, 2021 till 18th May, 2023. The remuneration payable to Mr. Jhawar shall not exceed Rs. 1.24 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 19th May, 2021 till 18th May, 2023. The approval for remuneration payable to Mr. Jhawar for the period 19th May, 2021 till 18th May, 2023 shall be placed at the forthcoming Annual General Meeting of the Company.*

***Mr. Pravin Kumar Jain was re-appointed as Joint Managing Director [Wire & Wire Rope Business] effective 5th February, 2019 to 31st January, 2020 which was subsequently approved by the shareholders at the Extra Ordinary General Meeting held on 30th March, 2019. Further, Mr. Pravin Kumar Jain was re-appointed as Joint Managing Director for a period of about 1 year effective from 1st February, 2020 to 31st January, 2021. However, Mr. Jain passed away from brief illness on 17th May, 2020. The remuneration paid to Mr. Jain does not exceed Rs. 1.40 Crore per annum (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the said period. The shareholders ratified the remuneration paid to him for the period 1st February, 2020 till 16th May, 2020 at the Annual General Meeting of the Company held on 23rd September, 2020.*

****Mr. Dhrub Jyoti Basu [DIN:02498037] was appointed as the Whole Time Director of the Company for a period of 3 (three) years on 6th June, 2020. The remuneration to be paid to Mr. Basu shall not exceed Rs. 1 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 6th June, 2020 till 5th June, 2023. The said appointment and remuneration payable to Mr. Basu was approved by the shareholders at the Thirty Fourth Annual General Meeting of the Company held on 23rd September, 2020. The overall limit of remuneration payable to Mr. Basu shall not exceed Rs. 1 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 6th June, 2020 till 5th June, 2023.*

*****Mr. Devadip Bhowmik [DIN: 08656505] was appointed as Additional Director (Whole Time) of the Company for a period of 5 (five) years w.e.f. 15th March, 2021. The remuneration to be paid to Mr. Bhowmik shall not exceed Rs. 1.24 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 15th March, 2021 till 14th March, 2024. The overall limit of remuneration payable to Mr. Bhowmik shall not exceed Rs. 1.24 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the Company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 15th March, 2021 till 14th March, 2024. The said appointment and remuneration payable to Mr. Bhowmik shall be placed at the forthcoming Annual General Meeting of the Company.*

REPORT ON CORPORATE GOVERNANCE

Accordingly, Mr. Rajeev Jhawar, Late Pravin Kumar Jain, Mr. Dhrub Jyoti Basu and Mr. Devadip Bhowmik were paid minimum remuneration during their tenure for the Financial Year 2020-21. Further, in accordance with Schedule V of the Act, the minimum remuneration determined does not include the Company's 'Contribution to Provident Fund', 'Contribution to Gratuity Fund' and 'Superannuation Fund'. No stock options have been given to any of the Directors.

The break-up of remuneration paid to each of the Non-Executive Directors for the Financial Year 2020-21 is given below:

(Rs. in Lakhs)

Name of Non-Executive Directors	Sitting Fees	Commission
Mr. Brij Kishore Jhawar**	0.80	-
Mr. Venkatachalam Ramakrishna Iyer	3.20	-
Mr. Mukesh Rohatgi	7.70	-
Mr. Vijay Singh Bapna	5.00	-
Mrs. Ramni Nirula	4.60	-
Total	**21.30**	-

***Mr. Brij Kishore Jhawar, Non-Executive Director [DIN: 00086200] of the Company ceased to be Director of the Company on 23rd September, 2020. Mr. Jhawar due to his failing health retired at the Annual General Meeting held on 23rd September, 2020.*

In case of profits, Non–Executive Directors, can from time to time be paid commission in accordance with the provisions of the Act with necessary approval. However during the Financial Year 2020–21, apart from payment of sitting fees for attending Board or Committee Meetings, no commission was paid to any Non–Executive Directors.

The criteria for making payments to Non-Executive Directors is available under the 'investor' section of the Company's website at www.ushamartin.com.

Apart from the above, no other pecuniary relationships (including stock options) or transactions vis-à-vis the Company exists with any Director.

V. Stakeholders' Relationship Committee

In accordance with the provisions of the Act and SEBI (LODR) has a Stakeholders' Relationship Committee, the terms of reference of this Committee inter-alia includes considering and resolving grievances of stakeholders and speedy disposal of requests received from security holders and approving transfer and transmission of shares, issuance of duplicate share certificates, other documentation and activities related to shares. Mr. Mukesh Rohatgi, Independent Non-Executive Director is the Chairman of the Committee. During the year, the Committee met four times on 6th June, 2020, 11th August, 2020, 10th November, 2020 and 8th February, 2021.

Composition of the Stakeholders' Relationship Committee and attendance during the year:

Particulars			No. of Meetings during the year/ tenure	
			Held	Attended
Mr. Mukesh Rohatgi	Chairman	Independent, Non-Executive	4	4
Mr. Rajeev Jhawar	Member	Managing Director, Promoter	4	4
Mr. Dhrub Jyoti Basu*	Member	Whole Time Director	3	3
Mr. Brij K Jhawar**	Member	Non-Executive, Promoter	2	1

*Mr. Dhrub Jyoti Basu was inducted as Member of the Committee w.e.f 6th June, 2020.
**Mr. Brij Kishore Jhawar ceased to be Director of the Company on 23rd September, 2020 and consequently ceased to be Member of the Committee w.e.f. 23rd September, 2020.

Mr. Mukesh Rohatgi, Chairman of the Stakeholders' Relationship Committee was present at last Annual General Meeting held virtually by audio-video mode on 23rd September, 2020.

Status of complaints of shareholders is given hereunder:

Complaints pending as on 1st April, 2020	NIL
Number of complaints received during year ended 31st March, 2021	25
Number of complaints attended to/resolved during the year	25
Complaints pending as on 31st March, 2021	NIL

Compliance Officer : Mrs. Shampa Ghosh Ray, Company Secretary, 2A, Shakespeare Sarani, Kolkata – 700 071
Phone: 033 71006300; Fax : 033 71006415
Email: investor@ushamartin.co.in

VI. Corporate Social Responsibility Committee

As on 31st March, 2021, the Corporate Social Responsibility Committee comprised of Mr. Vijay Singh Bapna (Chairman, Independent Non-Executive Director), Mrs. Ramni Nirula (Member, Independent Non-Executive Director) and Mr. Dhrub Jyoti Basu (Member, Whole Time Director). The Committee assists the Board in discharging the responsibilities towards making the Company a responsible corporate citizen in accordance with the provisions of the Act and Rules made thereunder. During the year under review, the Committee had met once on 8th February, 2021. During the year under review, Mr. D J Basu was inducted as a member of the Committee w.e.f. 6th June, 2020 in place of Late P K Jain. Subsequently, upon cessation of Mr. Brij Kishore Jhawar as the Chairman of the Committee, the Board inducted Mr. Vijay Singh Bapna as a Member and he was designated as the Chairman of the Committee w.e.f. 10th November, 2020.

VII. Finance Committee

The Finance Committee of the Board of Directors as on 31st March, 2021 comprised of Mr. Mukesh Rohatgi (Independent Non-Executive Director) as Chairman, Mrs. Ramni Nirula (Independent Non-Executive Director), Mr. Rajeev Jhawar (Managing Director) and Mr. Dhrub Jyoti Basu (Whole Time Director) as Members to inter-alia assist the Board in discharging its' financial decision making responsibilities. During the year, the Committee met once on 10th November, 2020. During the year under review upon demise of Mr. P K Jain, Mr. Dhrub Jyoti Basu was inducted as Member of the Committee w.e.f. 6th June, 2020.

VIII. Risk Management Committee

In accordance with the SEBI (LODR) Second Amendment Regulations 2021 made effective from 5th May, 2021 the Board of Directors at their Meeting held on 20th May, 2021 have in accordance with Regulation 21 of SEBI (LODR) [as amended] constituted a Risk Management Committee comprising of Mr. Vijay Singh Bapna, Independent Director as Chairman, Mrs. Ramni Nirula, Independent Director, Mr. R Venkatachalam, Nominee Director, Mr. D J Basu, Whole Time Director, Mr. D Bhowmik, Whole Time Director as members of the Committee to inter-alia identify, monitor, mitigate and manage risk.

IX. General Meetings

Date	Type	Venue	Time	No. of Special Resolution
23rd September, 2020	AGM	Meeting was held through Video Conferencing/Other Audio Visual Means (OAVM). However, the deemed venue for the meeting was the Registered Office of the Company at 2A, Shakespeare Sarani, Kolkata – 700 071	11:30 A.M.	-
21st September, 2019	AGM	Kala Kunj, Kolkata	11.00 A.M.	-
30th March, 2019	EGM	Vidya Mandir, Kolkata	11.00 A.M.	2
10th November, 2018	EGM	Vidya Mandir, Kolkata	10.45 A.M	1
18th September, 2018	AGM	Vidya Mandir, Kolkata	11.30 A.M.	1

During the year under review, no Resolution was passed by postal ballot and there is no proposal pending as on date for approval as Special Resolution through Postal Ballot.

X. Disclosures

- There were no materially significant related party transactions (i.e. transactions of the Company of material nature), in potential conflict with interests of the Company at large. Transactions with related parties are disclosed in Note 32 to the Accounts in Annual Report.
- There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.
- The Board of Directors has adopted a Vigil Mechanism and Whistle Blower Policy to provide a frame work to promote responsible and secure reporting of undesirable activities. During the year under report, there was no reporting of any undesirable activity by any person. No personnel of the Company have been denied access to the Audit Committee.
- During the Financial Year 2020-21, all mandatory requirements have been complied with.
- The Company has complied with all other requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (LODR).
- Various Policies and Codes including that of material subsidiaries, vigil mechanism and related party

REPORT ON CORPORATE GOVERNANCE

transactions are available under the 'investor' section of the Company's website at www.ushamartin.com.

- Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.
- The Company manages its corporate foreign exchange risk by defining its exposures, measuring them and defining appropriate actions to control the risk. This minimises, to the extent possible, any adverse effect on the Company's earnings or fair values of assets and liabilities, without exposing the Company to any material risks associated with the transactions, which could be regarded as speculative. Generally forward contracts are used to cover exposures. However, other hedging techniques may also be used like Currency Swaps and Currency Options etc. in consultation with management. The Company is not engaged in commodity hedging activities.
- As per disclosures received from Senior Management Personnel, they have not entered into any material, financial or commercial transactions which may have a potential conflict with interests of the Company at large.
- The Board of Directors has confirmed that in their opinion the Independent Directors fulfill the conditions specified in SEBI (LODR) and are independent of the Management.
- During the year under review, the credit rating for Long Term Bank Facilities of the Company were upgraded from 'IND BBB+' to 'IND A-' and the credit rating for Short Term Credit Facilities were upgraded from 'IND A2+' to 'IND A1' by India Ratings & Research Private Limited.
- A certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as Director of any company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained from a Company Secretary in Practice which forms part of this Report.
- During the year under review the Company did not raise any fund through preferential allotment or qualified institutional placement.
- During the year under review there were no instance of the Board not accepting the recommendations made to it by any of the statutory sub-committees of the Board.
- The requisite disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been provided separately in this Annual Report.
- Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part has been disclosed in Note 27(ii) to the Accounts in Annual Report. The Statutory Auditor of the Company does not render independently any services to any subsidiaries or associates of the Company.
- In terms of SEBI (LODR), the Company identified the list of core skills / expertise / competencies as is required in the context of the Company's business (es) and sector(s) for it to function effectively and those which are actually available with the Board. The specific areas of skills / expertise / competencies of individual Board members are given hereunder:

Name of Directors	Identified Skill / Knowledge set for Directors				
	Operations Management	Finance/ Accounting/ Legal	Strategy Development	Industry Related experience	General Management
Mr. Brij K Jhawar*	✓	X	✓	✓	✓
Mr. Mukesh Rohatgi	✓	✓	✓	✓	✓
Mr. R Venkatachalam	✓	✓	✓	X	✓
Mr. Rajeev Jhawar	✓	✓	✓	✓	✓
Mr. P K Jain#	✓	✓	✓	✓	✓
Mr. Vijay Singh Bapna	✓	✓	✓	✓	✓
Mrs. Ramni Nirula	✓	✓	✓	X	✓
Mr. D J Basu**	✓	X	✓	✓	✓
Mr. D Bhowmik***	✓	X	✓	✓	✓

#Mr. Pravin Kumar Jain, Joint Managing Director [DIN: 02583519] passed away on 17th May, 2020.

**Mr. Brij Kishore Jhawar, Non-Executive Director of the Company ceased to be Director of the Company on 23rd September, 2020 due to his failing health by retiring at the Annual General Meeting held on 23rd September, 2020.*

***Mr. Dhrub Jyoti Basu was appointed as Whole Time Director of the Company w.e.f 6th June, 2020 for a period of three years.*

****Mr. Devadip Bhowmik was appointed as Whole Time Director of the Company w.e.f 15th March, 2021 for a period of five years.*

- Subsequent to SEBI (LODR) Second Amendment Regulations 2021 being made effective from 5th May, 2021 the Board of Directors at their Meeting held on 20th May, 2021 have in accordance with Regulation 43A of SEBI (LODR) [as amended] framed a Dividend Distribution Policy and the same was made effective from the said date. The Policy has been hosted on the website of the Company at www.ushamartin.com/investor-relation.

XI. Means of Communication

a) The Company regularly intimates un-audited quarterly and audited annual financial results to Stock Exchanges immediately after they are approved and taken on record by the Board. During the year, the financial results were published in leading national newspapers viz. Business Standard (all English editions) and Dainik Statesman (Bengali editions).

b) The financial results and official press releases are also posted on the Company's website www.ushamartin.com.

c) As and when presentations are made to media, analysts, institutional investors and fund managers, the same are posted on the Company's website.

d) Apart from statutory announcements, the Company shares information relating to financial performance with public and investors through press releases, business newspapers and magazines as and when required.

XII. General Shareholders' Information

a) Date, time and venue of Annual General Meeting

The Thirty-fifth Annual General Meeting of the Company will be held on Wednesday, 11th August, 2021 at 11:30 A.M. (IST) through Video Conferencing/ Other Audio Visual Means.

b) Financial Calendar

Financial Year ended 31st March, 2021	Meetings held on	Next Financial Year ending 31st March, 2022	Meetings to be held on or before (tentative)
First Quarter Results – June, 2020	11th August, 2020	First Quarter Results – June, 2021	13th August, 2021
Second Quarter Results – September, 2020	10th November, 2020	Second Quarter Results – September, 2021	12th November, 2021
Third Quarter Results – December, 2020	8th February, 2021	Third Quarter Results – December, 2021	14th February, 2022
Audited Results for the year ended 31st March, 2021	20th May, 2021	Audited Results for the year ended 31st March, 2022	30th May, 2022

c) Book Closure Dates

The Share Transfer Books and Register of Members will be closed from 5th August, 2021 till 11th August, 2021 (both days inclusive).

d) Dividend Payment Date

No dividend has been recommended during the year.

e) Stock Exchanges where the Company's shares are listed and the scrip code numbers:

Sl. No.	Name of the Exchange	Scrip Code
1)	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	517146
2)	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051	USHAMART
3)	Societe de la Bourse de Luxembourg (For GDRs) 35A Bouleverd Joseph II L-1840, Luxembourg	US9173002042

The listing fees for all above stock exchanges have been duly paid for Financial Year 2020-21.

REPORT ON CORPORATE GOVERNANCE

f) Stock Market Price Data

Month	BSE (Rs. /Share)		NSE (Rs. /Share)		Volume		Total Volume
	High Price	Low Price	High Price	Low Price	BSE	NSE	
2020							
April	16.80	13.85	16.60	13.80	5,90,157	36,28,368	42,18,525
May	15.15	12.70	15.35	12.55	2,09,592	22,70,891	24,80,483
June	22.44	14.40	22.45	14.00	9,54,591	126,75,319	136,29,910
July	21.10	17.00	21.10	17.10	5,27,319	67,77,057	73,04,376
August	32.45	17.65	32.40	17.70	22,07,796	232,33,541	254,41,337
September	28.70	22.95	28.50	23.05	6,18,375	163,10,173	169,28,548
October	26.30	20.20	26.45	20.40	6,34,080	85,15,512	91,49,592
November	27.50	19.80	27.50	19.75	7,95,350	78,80,442	86,75,792
December	38.40	24.65	38.35	24.65	50,15,963	494,96,092	545,12,055
2021							
January	38.80	28.35	38.80	28.25	27,75,795	229,41,107	257,16,902
February	34.50	28.55	34.50	28.30	17,84,912	168,05,588	185,90,500
March	37.70	29.30	37.70	29.20	65,24,264	519,83,477	585,07,741

g) Performance in comparison to broad based indices such as BSE Sensex and NSE Nifty

Month	Price at BSE (Rs. /Share)	BSE Sensex	Price at NSE (Rs. /Share)	NSE Nifty
2020				
April	15.50	33,717.62	15.65	9,859.90
May	14.05	32,424.10	14.15	9,580.30
June	19.56	34,915.80	19.75	10,302.10
July	18.45	37,606.89	18.40	11,073.45
August	27.95	38,628.29	28.00	11,387.50
September	25.15	38,067.93	25.15	11,247.55
October	21.30	39,614.07	21.35	11,642.40
November	25.20	44,149.72	25.10	12,968.95
December	36.80	47,751.33	36.80	13,981.75
2021				
January	29.75	46,285.77	29.80	13,634.60
February	30.25	49,099.99	30.20	14,529.15
March	33.10	49,509.15	33.05	14,690.70

h) Registrar and Transfer Agent (both for demat and physical form of shares)

The contact details of the Registrar and Transfer Agent are as under:

MCS Share Transfer Agent Limited (Unit: Usha Martin Limited)
383, Lake Gardens, 1st Floor, Kolkata - 700045
Phone: +91 33 4072 4051/52/53
Fax: +91 33 4072 4050
Email: mcssta@rediffmail.com
Contact Person: Mr. Shankar Ghosh, Head–Eastern Region

i) Share Transfer System

Requests for share transfers are registered and share certificates or receipts or advices, as applicable, of transfers are issued or any valid objection or intimation to the transferee or transferor, as the case may be, are issued within a time period of 15 (Fifteen) days from the date of receipt subject to the documents being valid and complete in all respects in accordance with the requirements of Regulation 40(3) of SEBI (LODR). The Company Secretary has been authorised to endorse physical share transfer and transmission on behalf of the Company.

Except in case of transmission or transposition of securities, SEBI w.e.f. 1st April, 2019 had mandated transfer of securities in dematerialised form only. However, the mandate of SEBI does not prohibit the shareholders from holding the shares in physical form. Shareholder has the option of holding shares in physical form even after 1st April, 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialised. In view of the above and the inherent benefits of holding shares in electronic form, the shareholders' holding shares in physical form are advised to opt for dematerialisation at the earliest.

j) Distribution of Shareholding as on 31st March, 2021

Range * (No. of Equity Shares)	No. of Shareholders	%	Number of Equity Shares	%
1 – 100	21,921	43.30	1,033,997	0.34
101 – 500	17,287	34.15	4,902,297	1.61
501 – 1000	4,939	9.76	4,162,531	1.36
1001 – 5000	4,525	8.94	11,180,689	3.67
5001 – 10000	848	1.67	6,762,643	2.22
10001 & above	1,103	2.18	276,699,853	90.80
Total	**50,623**	**100**	**304,742,010**	**100**
* Shareholding in Physical Form included in above#	4,854	9.59	993,290	0.33

#The reported total number of paid – up equity shares of the Company as on 31st March, 2021 stands inflated by 230 equity shares. This was caused due to an erroneous additional electronic transfer of 230 equity shares (notional) to Investor Education & Protection Fund (IEPF) under the Ministry of Corporate Affairs (MCA) by way of corporate action executed on 29th September, 2020 by Central Depository Services India Ltd (CDSL) and Registrar & Transfer Agent (RTA) of the Company. The Company has been continuously engaging with IEPF Authority under MCA, CDSL and RTA for necessary rectification of error/ reversal of entry. Necessary documents in this matter have been submitted to IEPF Authorities but due to COVID-19 pandemic there is a delay in corresponding rectification/ reversal entry.

k) Pattern of Shareholding as on 31st March, 2021

	Category	No. of Equity Shares	% of Total Shareholding
A	Promoter Holding	134,430,066	44.11
B	Public Holding		
	- Mutual Fund	9,963	0.00
	- Financial Institution / Banks	2,290	0.00
	- Insurance Companies	156,851	0.05
	- Foreign Institutional Investors / Foreign Portfolio Investors	24,548,419	8.06
	- Bodies Corporate	45,672,844	14.99
	- Individual	75,870,940	24.90
	- IEPF	1,185,187	0.39
	Total {B}	**147,446,494**	**48.38**
C	GDRs (@)	22,865,450	7.50
GRAND TOTAL [A+B+C]#		**304,742,010**	**100.00**

@As on 31st March 2021 Promoters and Promoters Group are holding 36,48,716 GDRs (representing 1,82,43,580 Equity Shares).

#The reported total number of paid – up equity shares of the Company as on 31st March, 2021 stands inflated by 230 equity shares. This was caused due to an erroneous additional electronic transfer of 230 equity shares (notional) to Investor Education & Protection Fund (IEPF) under the Ministry of Corporate Affairs (MCA) by way of corporate action executed on 29th September, 2020 by Central Depository Services India Limited. (CDSL) and Registrar & Transfer Agent (RTA) of the Company. The Company has been continuously engaging with IEPF Authority under MCA, CDSL and RTA for necessary rectification of error/ reversal of error. Necessary documents in this matter have been submitted to IEPF Authorities but due to COVID-19 pandemic there is a delay in corresponding rectification/ reversal entry.

l) Dematerialisation of Shares and Liquidity

As at 31st March, 2021, 99.67% of total Equity Shares of the Company were held in electronic form with NSDL/ CDSL.

The Company's Equity Shares are being traded compulsorily in dematerialised form with effect from 21st March, 2000.

The ISIN of the Company's Equity Share is INE228A01035.

m) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2021, there were 45,73,090 Global Depository Receipts (GDRs) outstanding representing 2,28,65,450 Equity Shares.

n) National Electronic Clearing Service (NECS)

The Company has extended the NECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages Members to avail this facility as NECS provides adequate protection against fraudulent interception and encashment of dividend warrants in transit and correspondence with the Company on revalidation /issuance of duplicate dividend warrants.

o) Bank Details for Electronic Shareholding

Members are requested to notify their Depository Participant (DP) about the changes in the bank details. Members are requested to furnish complete details of their bank accounts including the MICR codes of their banks to their DPs.

p) Furnish Copies of Permanent Account Number (PAN)

Members are requested to furnish their PAN to enable the Company to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act, 2002 (as amended).

For transfer of shares in physical form, SEBI has made it mandatory for the transferee to submit a copy of PAN card to the Company / Registrar.

q) Plants/Mines Locations in India [as on 31st March, 2021]

Tatisilwai, Ranchi – 835 103
Hoshiarpur, Punjab – 146 024
Sri Perumbudur, Tamil Nadu – 602 105

r) Address for Correspondence:

i) Usha Martin Limited
2A, Shakespeare Sarani
Kolkata 700 071
Phone: +91 33 71006300, Fax: +91 33 71006415

ii) Person to be contacted for shareholder's queries/ complaints:
Mrs. Shampa Ghosh Ray, Company Secretary
2A, Shakespeare Sarani, Kolkata 700 071
Phone: +91 33 71006300, Fax: +91 33 71006415
Email: investor@ushamartin.co.in

B. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

Shareholder Rights

The Company from time to time uploads the quarterly and half – yearly financial performance on the website of the Company. However, the hard copies of the same are not sent to the shareholders.

Separate Chairperson and Chief Executive Officer

As on 31st March, 2021, the Board is headed by a Non – Executive Independent Chairman and his position is separate from that of the Managing Director.

Reporting of the Internal Auditor

The Internal Auditor of the Company reports to the Audit Committee.

Other Item

The items mentioned under Non Mandatory Requirements of SEBI (LODR) (as amended) are being reviewed and will be implemented by the Company as and when required or deemed necessary by the Board.

DECLARATION

As provided under SEBI (LODR), it is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed their compliance of the Company's "Code of Conduct for Directors and Senior Management Personnel" for Financial Year ended 31st March, 2021.

Place : Kolkata
Date : 20th May, 2021

Rajeev Jhawar
Managing Director
DIN: 00086164

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Usha Martin Limited

We have examined the compliance of conditions of Corporate Governance by **Usha Martin Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31st March, 2021

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

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

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

For A. K. LABH & Co.
Company Secretaries

CS Atul Kumar Labh
Practicing Company Secretary
FCS 4848 / CP No.: 3238
UIN : S1999WB026800
UDIN : F004848C000350371

Place : Kolkata
Date : 20th May, 2021

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
Usha Martin Limited
2A, Shakespeare Sarani
Kolkata - 700071
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Usha Martin Limited having CIN: L31400WB1986PLC091621 and having registered office at 2A, Shakespeare Sarani, Kolkata - 700071, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ramni Nirula	00015330	26.07.2019
2.	Rajeev Jhawar	00086164	19.05.1998
3.	Mukesh Rambihari Rohatgi	00136067	09.12.2016
4.	Venkatachalam Ramakrishna Iyer	02194830	04.11.2015
5.	Dhrub Jyoti Basu	02498037	06.06.2020
6.	Vijay Singh Bapna	02599024	27.05.2019
7.	Devadip Bhowmik	08656505	15.03.2021

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.

For A. K. LABH & Co.
Company Secretaries

CS Atul Kumar Labh
Practicing Company Secretary
FCS 4848 / CP No.: 3238
UIN : S1999WB026800
UDIN : F004848C000350358

Place : Kolkata
Date : 20th May, 2021

DETAILS IN TERMS OF SECTIONS 134 (3) (q) AND 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED) FOR THE YEAR ENDED 31ST MARCH, 2021:

Sl. No.	Requirement	Disclosure
i.	The ratio of remuneration of each Director to the median remuneration of employees of the Company for the Financial Year.	a) Mr. Mukesh Rohatgi, Non-Executive, Independent Director, Chairman - 2.10 : 1* b) Mr. Brij Kishore Jhawar, Non-Executive, Promoter – Director – 0.22 : 1*@ c) Mr. Vijay Singh Bapna, Non-Executive, Independent Director – 1.36 : 1* d) Mrs. Ramni Nirula, Non-Executive, Independent Director – 1.25 : 1* e) Mr. Venkatachalam Ramakrishna Iyer, Non-Executive, Nominee Director – 0.87 : 1* f) Mr. Rajeev Jhawar, Managing Director – 33.62 :1 g) Mr. P K Jain, Joint Managing Director – 4.07 :1# h) Mr. Dhrub Jyoti Basu, Whole Time Director - 16.91 : 1$ i) Mr. Devadip Bhowmik, Whole Time Director - 26.66 :1% *Constitutes of sitting fees only which are paid to every Non – Executive Director for attending Board and Committee meetings in which such Director is a member. @Ceased to be a Director with effect from 23rd September, 2020. #Deceased on 17th May, 2020. $Appointed as a Director with effect from 6th June, 2020. %Appointed as a Director with effect from 15th March, 2021. Note: while computing the median remuneration 2271 [As on 31st March, 2021] employees has been considered.
ii.	Percentage Increase / (Decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year.	a) Mr. Mukesh Rohatgi, Non-Executive, Independent Director, Chairman – 2.10%* b) Mr. Brij Kishore Jhawar, Non-Executive, Promoter – Director – (1.70)%@ c) Mrs. Ramni Nirula, Non-Executive, Independent Director – 0.10%* d) Mr. Venkatachalam Ramakrishna Iyer, Non-Executive, Nominee Director – (0.80)%* e) Mr. Vijay Singh Bapna, Non-Executive, Independent Director – 1.36% f) Mr. Rajeev Jhawar, Managing Director – (17.23)% g) Mr. P K Jain, Joint Managing Director – Not Applicable %$ h) Mr. Dhrub Jyoti Basu, Whole Time Director – 16.91%# i) Mr. Devadip Bhowmik, Whole Time Director – Not Applicable ## j) Mr. Anirban Sanyal, Chief Financial Officer – (9.54)% k) Mrs. Shampa Ghosh Ray, Company Secretary – (12.00)% *Constitutes of sitting fees only which are paid to every Non-Executive Director for attending Board and Committee meetings in which such Director is a member. @Ceased to be a Director with effect from 23rd September, 2020. $Deceased on 17th May, 2020. Hence the remuneration for FY 2019-20 and for part of the FY 2020-21 are not comparable #Appointed as a Whole Time Director w.e.f 6th June, 2020. ##Appointed as a Whole Time Director w.e.f 15th March, 2021.
iii.	Percentage increase in the median remuneration of employees in the Financial Year.	4.93%
iv.	Number of permanent employees on the rolls of the Company.	2271 [As on 31st March, 2021]
v.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage increase in salaries of employees during the last Financial Year was 9.25% compared to -26.39% of decrease in the aggregate remuneration paid to managerial personnel (i.e MD, JMD, WTD, CFO & CS)
vi.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	Yes.

On behalf of the Board of Directors

Place : Kolkata Date : 20th May, 2021	**Rajeev Jhawar** Managing Director DIN: 00086164	**Dhrub Jyoti Basu** Whole Time Director DIN: 02498037

INFORMATION AS PER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ RULE 5(2)&(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

Name	Age (Years)	Designation/ Nature of Duties	Gross Remuneration (Rs.)	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment - Designation
(A) Top ten employees in terms of remuneration drawn and having been employed throughout the financial year.							
Rajeev Jhawar	56	Managing Director	1,23,38,746	B. Com (Hons.)	36	26-Nov-94	Usha Martin Industries Limited (Since Merged with the Company) - Jt. Managing Director
Devadip Bhowmik	56	Whole Time Director	97,83,393	Science Graduate & Electrical Engineer	30	01-Jun-19	Tata Sponge Iron Ltd (presently knows as Tata Steel Long Products Ltd.) - Vice President
Anirban Sanyal	46	Chief Financial Officer	79,23,892	CA	25	15-Sep-16	Outotec India Pvt. Ltd. - Finance Controller
S.B.N. Sharma	47	Sr. Vice President -Manufacturing	62,54,632	B.E (Mech.), MBA	26	10-Jul-95	Not Applicable
Dhrub Jyoti Basu	63	Whole Time Director	62,06,835	B.Sc.Hons,PGD Personnel Management & Industrial Relations	41	10-Apr-06	Larfarge India Ltd - Vice President (Human Resource)
Santanu Das	52	Asst Vice President - Sales & Marketing	61,30,249	B.E (Met)	29	26-Dec-06	Adhunik Metaliks Ltd. - Deputy General Manager
Chirantan Chatterjee	51	Asst Vice President - Sales, Marketing & Export	55,14,253	B.E (Mech.)	29	01-Mar-03	SKF Bearings India Ltd. - Business Engineer
Shampa Ghosh Ray	45	Vice President-Legal & Company Secretary	49,53,806	LLB & CS	21	01-Jun-16	Kesoram Industries Ltd. - Lead (Secretarial & Investor Services)
Pramod Kr Fatepuria	59	Sr. General Manager - Logistics	42,05,104	B. Sc, B. Com, ICWA, LLB	38	16-Jan-97	Telerama (India) Ltd. - Mananger
Ghanshyam Das Lakhotia	50	General Manager - Finance & Treasury	34,93,169	B. Com (Hons.)	27	01-Oct-94	Not Applicable
(B) Name of every employees who draws a remuneration of Rupees One Crore and two lakhs per annum and has not been mentioned in (A) above.							
NIL							
(C) Employed for a part of the financial year and was in receipt of remuneration for any part of the year at a rate which in the aggregate was not lees than Rs. 850,000 per month.							
Pravin Kumar Jain*	66	Joint Managing Director	14,94,515	B.Tech, MBA	43	01 Sep 2009	Brunton Wolf Wire Ropes,Fzco (presently known as Brunton Wire Ropes FZCo.) - Managing Director

Notes:

(1) The terms of appointment of Managing Director and Whole Time Directors are contractual. All other appointment are non-contractual and terminable by notice on either side.

(2) Gross Remuneration comprises salary, allowances, monetary value of perquisites, commission to the Directors and the Company's contribution to Provident and superannuation Funds but excludes contribution to Gratuity Fund on the basis of actuarial valuation as separate figures are not available.

(3) None of the employees named above is a relative of any Director of the Company except,Mr Rajeev Jhawar who is a relative of Mr Brij K Jhawar (Mr. Brij K Jhawar was a director of the Company till 23rd September, 2020).

** Deceased on 17th May 2020*

On behalf of the Board of Directors

Place : Kolkata
Date : 20th May, 2021

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS' LENGTH TRANSACTIONS UNDER THIRD PROVISO THERE TO

1) Details of contracts or arrangements or transactions not at arm's length basis – **NIL**

a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts/arrangements/transactions	-
c)	Duration of the contracts/arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any:	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

2) Details of material contracts or arrangement or transactions at arm's length basis – **NIL**

a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts/arrangements/transactions	-
c)	Duration of the contracts/arrangements/transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	-
e)	Date(s) of approval by the Board, if any:	-
f)	Amount paid as advances, if any:	-

On behalf of the Board of Directors

Place : Kolkata
Date : 20th May, 2021

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROTECTION AND REDRESSAL) ACT, 2013.

The Company has put in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in accordance with the requirement of the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', as amended. In accordance with the above Policy, an Internal Complaints Committee has been set up to address and resolve complaints regarding sexual harassment. All employees of the Company are covered under the aforementioned Policy.

The summary of complaints received and disposed-off during the Financial Year 2020-21 were as under:

Number of complaints received : NIL
Number of complaints disposed – off : Not Applicable

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2021

[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,
Usha Martin Limited
2A, Shakespeare Sarani
Kolkata - 700071
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Usha Martin Limited having its Registered Office at 2A, Shakespeare Sarani, Kolkata - 700071, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 31st March, 2021 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.

AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

In certain cases, we have relied upon the accuracy of the documents and information as shared by the Company with us through appropriate Information Technology tools to assist us in completing the secretarial audit work due to unprecedented situation prevailing in the Country due to COVID-19 virus pandemic and the same is subject to physical verification by us post normalisation of the situation in due course.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2021 according to the provisions of (as amended):

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

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

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

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. Prevention of Food Adulteration Act, 1954;
2. The Petroleum Act, 1934 and the Petroleum Rules, 2002;
3. The Explosives Act, 1884
4. The Legal Metrology Act, 2009; and
5. The Indian Boiler Act, 1923

to the extent of its applicability to the Company during the financial year ended 31st March, 2021 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;

(iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

We further report that:

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

(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) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

(d) 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:

(a) In the light of heightened concern on spread of Covid-19 across the nation and as per the notifications issued by the Central / State Government(s), the Company had temporarily shut down operations at its Plants situated at Hoshiarpur (Punjab) and Ranchi (Jharkhand) with effect from the close of business hours on 23rd March, 2020 and 24th March 2020 respectively. However, the Company had resumed operations at both these Plants in a gradual and phased manner with effect from 20th April, 2020 in compliance of the directives issued and permissions granted by Central/State Government(s) Authorities.

(b) The Company had received a communication dated 26th June, 2020 from Office of Regional Director (Ministry of Corporate Affairs) seeking clarifications on the irregularities / violations found during Inspection by the said authority under Sec. 206(5) of the Companies Act, 2013. Subsequently, the Company had submitted its reply along with the required documents and information on 30th July, 2020 and, thereafter, also filed applications under Section 441 of the Companies Act, 2013 ("Act") with respect to alleged violations under Sections 77, 118, 129, 149 and 179 of the Act.

SECRETARIAL AUDIT REPORT

(c) Central Bureau of Investigation (CBI) has filed a first information report (FIR) on 2nd October, 2020 in Delhi and NCR, against the Company, the Managing Director, Mr. Rajeev Jhawar and certain other individuals, for alleged offences under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860. The matter is under investigation till date.

(d) The matter relating to application under Sections 241 and 242 of the Companies Act, 2013 submitted during the financial year 2017-18 before the National Company Law Tribunal, Kolkata Bench, Kolkata against the Company and its Managing Director, Mr. Rajeev Jhawar is sub-judice and still pending adjudication before the Bench.

(e) The total issued & paid-up equity share capital of the Company as on 31st March, 2021 stands inflated by 230 equity shares due to erroneous transfer of the said shares by Central Depository Services (India) Limited to Investor Education and Protection Fund (IEPF) through corporate action on 29th September, 2020. The Company has taken steps for rectification through CDSL and the response of IEPF Authority is awaited.

(f) During the year under review due to a share capital restructuring process undertaken by "Brunton Wolf Wire Ropes FZCO at Dubai (BWWR), the underlying joint venture agreement was terminated, by virtue of which BWWR has ceased to be a joint venture and became a subsidiary of the Company. The name BWWR has changed to Brunton Wire Ropes FZCO (BWR). Presently, the Company has a 75% shareholding and U M Americas Inc. (another wholly owned subsidiary of the Company) has 25% shareholding in BWR.

For A. K. LABH & Co.
Company Secretaries

CS Atul Kumar Labh
Practicing Company Secretary
FCS 4848 / CP No.: 3238
UIN : S1999WB026800
UDIN : F004848C000350347

Place : Kolkata
Date : 20th May, 2021

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134 (3) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNT) RULES, 2014:

(A) CONSERVATION OF ENERGY:

i) Steps taken or impact on conservation of energy.

a) Replacement of DC motor and drive with AC motor and drive;

b) Replacement of conventional light by LED lights;

c) Installation of medium voltage covered conductors (MVCC) in place of open conductor in Pump House by the river;

d) Gradual installation of sensor for automatic switch-off of electrical appliances in rest rooms, shop floors, meeting hall, office premises etc.

ii) Steps taken by the Company for utilising alternate sources of energy:

a) Green building concepts have been taken up by replacing opaque sheets with transparent sheet for roofing at chosen positions;

b) Use of briquette for water heating & energy conservation;

c) Conceptualisation and evaluation of usage of solar energy for energy conservation.

iii) Capital investment on energy conservation equipment – Rs. 24.95 Lakh

(B) TECHNOLOGY ABSORPTION:

i) Efforts made towards technology absorption:

a) Introduction of 'Smart Card' (Non-Contact) attendance system introduced for employees;

b) Development and implementation of special technology in 'Locked Coil Ropes' for European Union (EU) market in consultation with GDC, Italy;

c) Designing superior end fittings for structural applications;

d) Introduction of 'AutoCad Mechanical 2021' with Auto Desk Inventor Professional 2021 for designing special wire ropes, steel reels & special end-fittings.

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

a) Working towards introduction of environment friendly consumables, for marine application lowering steel consumption, using environment friendly lubricants;

b) Performance enhancement of products in various applications vis-à-vis Crane, Mining, etc.;

c) Product augmentation ensuring unchanged quality with cost reduction.

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

Details of technology imported	Year of import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place and the reasons thereof
Design of Special Nozzle for shaped wires	2019	Yes	-
3 Roller Compaction Unit	2020	Yes	-

iv) Expenditure incurred on Research and Development: Rs. 365.81 Lakh

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

		(Rs. in Lakh)
i.	Foreign Exchange earned in terms of actual inflows during the year	35,366.52
ii.	Foreign Exchange outgo during the year in terms of actual outflows	469.70

On behalf of the Board of Directors

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Place : Kolkata
Date : 20th May, 2021

EXTRACTS FROM THE NOMINATION AND REMUNERATION POLICY OF USHA MARTIN LIMITED

The philosophy for remuneration of Directors, Senior Management Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy.

This Remuneration Policy has been prepared pursuant to the applicable provisions of the Act and SEBI LODR. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

(I) DIRECTORS

A) Non-Executive Directors

1) Sitting Fees: Every Non-Executive Director of the Company shall be entitled to a sitting fees or such amount as may be decided by the Board for attending every Board Meeting and Committee Meeting in which such Director is a member in accordance with the provisions of the Act and SEBI LODR.

2) Commission: In case of adequate profit Non-Executive Directors shall be entitled to commission upto such percentage of the net profit calculated in the manner as prescribed and allowed under the Act. The above commission shall be apportioned in the manner as may be decided by the Board.

3) Re-imbursement of travelling and hotel expenses: Non-Executive Directors shall be entitled to reimbursement of expenses on account of travelling and hotel expenses for attending Board and / or Committee Meetings and / or visit to any place on Company's business.

B) Executive Directors

Remuneration payable to Executive Directors shall be fixed from time to time by the Nomination & Remuneration Committee, Board of Directors and Shareholders within the overall ceiling mentioned under the Act.

In case of loss or inadequate profits, the Executive Directors will receive the above remuneration as minimum remuneration subject to approval of Central Government, where applicable.

(II) SENIOR MANAGEMENT PERSONNEL

The remuneration of Senior Management Personnel shall generally have the following constituents:

- Basic salary
- House Rent Allowance
- Additional Allowance
- Special Allowance
- Conveyance
- Medical
- Leave Travelling Allowance
- Provident Fund
- Gratuity
- Superannuation

All senior management staff of the Company have fixed pay excepting the officers who are working in Company's subsidiaries or joint venture companies.

Senior Management Personnel are entitled to retiral benefits like gratuity, provident fund, superannuation, etc as per the Human Resource Policy of the Company. They are also entitled for benefits and perks as applicable as per Company's Policy.

The annual revision of the salary of senior management personnel will be based on performance as per the annual plan of the preceding year and will be prepared and recommended by Recruitment Committee consisting of Managing Director, Whole-time Director/(s) and Head-Human Resources, to the Nomination and Remuneration Committee of the Board of Directors of the Company.

(III) OTHER EMPLOYEES

The Employees of the Company are basically divided into two categories viz. Non-Officers or Workmen and Officers or Executives. The Non-Officers or Workmen of the Company are unionised and their remuneration and other benefits are covered under the Long-term Settlement with Union, which is done in every 4 years. Besides the above, a Workman is entitled for a Production Incentive prevailing in the Plant, he is employed.

This Policy covers Officers/ Executives, which is explained below –

Officers of the Company are divided into 12-13 levels and all are having Fixed Salary based on the Components viz. Basic, House Rent Allowance, Conveyance, Additional Allowance, Special Allowance, Medical Allowance, Leave Travel Allowance and the contribution to the various Statutory/Retrial Benefits. The above components consist of the total Cost to the Company of the individual Officer. The yearly increment is given based on an Increment Matrix linked with the Appraisal Points, finalized by his immediate Superior and JMD/MD level. The yearly increments of DGM and above located at Plants will generally be finalised on recommendation of Plant Head based on performance and subsequently finalised by MD/JMD. Apart from the above, the Officers based in the Plants are entitled for Production Incentive. The following shall be considered for determining remuneration or revision of remuneration: -

EXTRACTS FROM THE NOMINATION AND REMUNERATION POLICY OF USHA MARTIN LIMITED (CONTD.)

A) Compensation Survey

To have an Officer Remuneration Survey of the Steel/ Engineering Industry and to assess the present compensation of the Officers given by the Company falls in what percentile of the highest paid company. This Survey should also include the Entry Compensation of Graduate Engineer Trainees, Diploma Holder Trainees etc. It is also proposed to rationalize the so many prevailing grades of the Officers and align it with the similar Industry, so that Compensation Benchmarking can be more adequate and effective.

B) Salary Correction

The Salary Corrections are to be taken up during the annual increment. In this process, the high potential and high performing Officers are to be brought to the range of around 75 percentile of the best paid industry to raise the exit bar. The above average performers can be brought to 50-60 percentile or as decided by the Management. The average performers and below will get normal increment, if continued in the employment.

C) Introduction of Performance Pay

The General Manager and above (around 46 in number) are to be considered as Leadership positions in the Company. The position holders are generally Departmental Heads or other Key position holders in Commercial Departments. It is proposed that in case of future recruitment, the total Salary Package, which is a fixed salary is to be bifurcated into Fixed and Variable, linked with agreed quantifiable targets and overall performance of the Company unless otherwise decided jointly by the President (HR), Jt. Managing Director and Managing Director on case to case basis, as per the discretion of Management.

D) Rationalisation of Perquisites

Existing perquisites of the Company given to the Officers may be revisited as per the Human Resource Policy of the Company to be jointly decided by the President (HR), Jt. Managing Director and Managing Director.

STATEMENT 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 subsidiary/associate companies/joint ventures

PART "A" : SUBSIDIARIES

(Rs. in Lakh)

Serial No.	1	2	3	4	5	6	7
Name of the subsidiary	U M Cables Limited	Usha Martin Power & Resources Limited	Bharat Minex Private Limited	Gustav Wolf Speciality Cords Limited	Usha Siam Steel Industries Public Company Limited	Usha Martin Americas Inc	Brunton Wire Ropes FZCo. [formerly known as Brunton Wolf Wire Ropes FZCo.]
Reporting Period for the Subsidiary	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21
Reporting Currency	Rs.	Rs.	Rs.	Rs.	THB	USD	AED
Exchange Rate as on 31st March, 2021 (used for conversation C/Y Vs Rs.)	-	-	-	-	2.3395	73.1100	19.9074
Share Capital	1,113	5	20	15	3,345	2,924	3,026
Reserves and Surplus	1,048	(3)	(21)	245	9,772	1,871	4,499
Total Assets	7,316	2	37	344	32,407	8,069	13,646
Total Liabilities	5,155	*	38	84	19,290	3,274	6,121
Investments	-	-	-	-	2,924	1,316	-
Turnover (Net)	9,320	-	-	1,454	29,278	5,851	15,031
Profit/(Loss) before Taxation	486	*	(2)	7	231	146	554
Provision for Taxation	208	-	-	1	51	1	-
Profit/(Loss) after Taxation	278	*	(2)	6	180	145	554
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	97.98%	100%	75%

(Rs. in Lakh)

Serial No.	8	9	10	11	12	13
Name of the subsidiary	Usha Martin Singapore Pte. Limited	Usha Martin Australia Pty Limited	P T Usha Martin Indonesia#	Usha Martin Vietnam Company Limited	Usha Martin China Company Ltd	Usha Martin International Limited
Reporting Period for the Subsidiary	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21
Reporting Currency	USD	A $	USD	VND	CNY	GBP
Exchange Rate as on 31st March, 2021 (used for conversation C/Y Vs Rs.)	73.1100	55.7025	73.1100	0.0032	11.1386	100.7529
Share Capital	419	111	73	202	343	5,953
Reserves and Surplus	10,437	1,615	1,464	364	(1,992)	4,380
Total Assets	24,090	4,259	2,422	819	1,314	10,508
Total Liabilities	13,234	2,533	885	253	2,963	174
Investments	-	-	-	-	-	7,113
Turnover (Net)	13,365	4,777	3,973	1,482	-	-
Profit/(Loss) before Taxation	240	116	566	84	1,303	416
Provision for Taxation	120	32	141	13	-	38
Profit/(Loss) after Taxation	120	84	425	71	1,303	378
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES,2014 (CONT.)

(Rs. in Lakh)

Serial No.	14	15	16	17	18	19
Name of the subsidiary	De Ruiter Staalkabel BV Sliedrecht	Usha Martin Italia S.R.L. #	Usha Martin Europe B.V.	Usha Martin UK Limited	Brunton Shaw UK Limited	European Management and Marine Corporation Limited
Reporting Period for the Subsidiary	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21	FY 2020 - 21
Reporting Currency	EURO	EURO	EURO	GBP	GBP	GBP
Exchange Rate as on 31st March, 2021 (used for conversation C/Y Vs Rs.)	85.7507	85.7507	85.7507	100.7529	100.7529	100.7529
Share Capital	15	9	15	3,879	*	*
Reserves and Surplus	7,606	406	192	25,530	-	-
Total Assets	13,412	558	1,571	40,782	*	*
Total Liabilities	5,790	143	1,363	11,373	-	-
Investments	-	-	-	-	-	-
Turnover (Net)	14,059	756	2,976	31,059	-	-
Profit/(Loss) before Taxation	1,309	494	71	878	-	-
Provision for Taxation	306	104	12	163	-	-
Profit/(Loss) after Taxation	1,003	390	59	715	-	-
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%

**Amount is below rounding off norm adopted by the Company*
#Financial information is based on Unaudited Results.

(1) Name of subsidiary which are yet to commence operations - None

(2) Name of subsidiaries which have been liquidated / sold during the year - None

(3) The annual accounts of the above subsidiary companies will be made available to the shareholders for inspection at the Annual General Meeting and also kept for inspection at the Registered Office of the Company. The same have been hosted on website of the Company.

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES,2014 (CONT.)

PART "B" : ASSOCIATES AND JOINT VENTURES

(Rs. in Lakh)

Serial No.	1	2	3
Name of the Associates /Joint Ventures	Pengg Usha Martin Wires Private Limited (PUMWPL)	CCL Usha Martin Stressing Systems Limited (CUMSSL)	Tesac Usha Wirerope Company Limited (TUWCL)
Latest audited Balance Sheet Date	31st March, 2021	31st March, 2021	31st March, 2021
Shares of Associate/Joint Ventures held by the Company on the year end			
Number	Equity Shares - 10,800,000 *	Equity Shares - 473,195 *	Ordinary Shares - 1,249,999 *#
Amount of Investment in Associates/Joint Venture	1,081	31	2,924
Extent of Holding %	40.00%	49.99%	50.00%
Description of how there is significant influence	PUMWPL is a joint venture Company, wherein the Company is holding 40% of equity in PUMWPL under a Shareholders Agreement.	CUMSSL is a joint venture Company wherein the Company is a 49.99% of the equity in CUMSSL under a Shareholders Agreement.	TUMCL is a joint venture of Usha Siam Steel Industries Public Company Limited, a subsidiary of the Company.
Reason why the associate/joint venture is not consolidated	The financial statement of PUMWPL is taken into consideration for consolidation of financial statements to the extent of Company's interest therein.	The financial statement of CUMSSL is taken into consideration for consolidation of financial statements to the extent of Company's interest therein.	The financial statement of TUWCL is taken into consideration for consolidation of financial statements to the extent of the Company's interest therein.
Net worth attributable to Shareholding as per latest audited Balance Sheet	2,943	46	3,710
Profit / Loss for the year	1,209	4	178
Considered in Consolidation	484	2	89
Not Considered in Consolidation	725	2	89

** Denotes actual number of shares.*
 # Denotes shares held by subsidiaries of the Company.

Notes:

(1) Name of associates or joint ventures which are yet to commence operation - None

(2) Name of associates or joint ventures which have been liquidated or sold during the year - None

(3) The annual accounts of the above associates/joint ventures companies will be made available to the shareholders for inspection at the Annual General Meeting and also kept for inspection at the Registered Office of the Company.

On behalf of the Board of Directors

Place : Kolkata Date : 20th May, 2021	**Shampa Ghosh Ray** Company Secretary ACS: 16737	**Anirban Sanyal** Chief Financial Officer	**Rajeev Jhawar** Managing Director DIN: 00086164	**D J Basu** Whole Time Director DIN: 02498037

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Usha Martin Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of Usha Martin Limited ("the Company"), which comprise the Balance sheet as at 31st March, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 39(a) regarding attachment of certain parcels of land at Ranchi used by the Company's wire rope business under Prevention of Money Laundering Act, 2002 (PMLA) in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the mining lease granted to the Company for the iron ore mines. Pending final outcome of the appeal filed by the Company before the Appellate Tribunal, PMLA and also the orders of the Hon'ble High Court of Patna setting aside the proceedings against the Company and granting the liberty to Directorate of Enforcement (ED) to file a complaint before an appropriate Court having adequate jurisdiction as mentioned in the said Note, no adjustment to these standalone Ind AS financial statements in this regard have been considered necessary by the management.

Further, as explained in note 39(b), a First Information Report (FIR) has been filed by Central Bureau of Investigation (CBI) against the Company, its Managing Director and certain Other Officers under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860 for allegedly trying to influence ongoing CBI investigation pertaining to the proceedings mentioned in note 39(a). The matter is currently under investigation and the Company intends to take such legal measures as necessary based on the outcome of the ongoing investigation.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition (as described in Note 2A(d) and Note 20 of the standalone Ind AS financial statements)</td></tr>
<tr><td>For the year ended 31st March, 2021, the Company has recognized revenue from operations of Rs. 1,34,560 lakhs. Revenue from contract with customers (hereinafter referred to as 'Revenue') is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is entitled to in exchange for those goods or services.

The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. The risk is therefore, that revenue is not recognized in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter.</td><td>Our audit procedures included the following:
• Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from contracts with customers").
• Obtained an understanding of revenue process including testing the design and operating effectiveness of controls related to revenue recognition.
• Performed procedures for a sample of revenue transactions at year end to assess whether they were recognized at the correct period by corroborating terms of sales arrangement and date of revenue recognition to third party support such as bills of lading, lorry receipt etc.
• Compared revenue with historical trends and where appropriate, conducted further enquiries and testing to corroborate unusual variances noted.
• Assessed disclosures in financial statements in respect of revenue as specified in Ind AS 115</td></tr>
<tr><td colspan="2">Provisions and Contingencies (as described in Note 2A(n), Note 15 and Note 30C of the standalone Ind AS financial statements)</td></tr>
<tr><td>The Company has accrued liabilities of Rs. 3,015 lakhs as shown in Note 15 and disclosed in Note 30C contingent liabilities of Rs. 39,806 lakhs as at 31st March, 2021.

Claims and exposures relating to litigation have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the standalone Ind AS financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.

Accordingly, it has been considered as a key audit matter.</td><td>Our audit procedures included the following:
• Obtained listing of all disputes pending before various judicial or relevant tax/ regulatory authorities.
• Enquired and discussed the above listing with Head of Legal and Heads of relevant Functions to assess the completeness and management position with regard to the probability of unfavorable outcome of disputes and provision recognised towards matter under disputes.
• Engaged with our relevant inhouse tax specialists for taxation matters under dispute to assess management's position of outcome of significant cases and provisions recognised. Assessed the objectivity and competence of the in-house and external specialists.
• Reviewed opinions obtained by the management from relevant external legal experts to assess management's position of outcome of significant matters under dispute and provisions recognized.
• Assessed the relevant disclosures made within the standalone Ind AS financial statements as per the requirements of relevant accounting standards.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

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 Ind AS financial statements for the financial year ended 31st March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended 31st March, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements – Refer Note 15 and Note 30C to the standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership Number: 055596
UDIN: 21055596AAAABH1918

Place: Kolkata
Date: 20th May, 2021

ANNEXURE 1

referred to in paragraph 1 of the section on "Report on Other Legal and Regulatory Requirements" of our report of even date

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items 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, a portion of the property, plant and equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties are held in the name of the Company except for:

1. title deeds (four cases) of freehold land with gross and net carrying amount of Rs. 2,155 lakhs and title deeds of two flats (classified as 'building') with gross and net carrying amount of Rs. 8 lakhs and Rs. 7 lakhs respectively, included in Note 3A(b) on Property, Plant and Equipment, which are in the name of erstwhile companies that had amalgamated with the Company in prior years.

2. title deed (one case) of freehold land with gross and net carrying amount of Rs. 29 lakhs and title deed of building situated on the freehold land with gross and net carrying amount of Rs. 1 lakh and Rs. 1 lakh respectively, included in Note 3A(b) on Property, Plant and Equipment, in respect of which the conveyance deed is yet to be executed in favour of the Company. The title deed is under litigation and pending resolution in the concerned Trial Court as at 31st March, 2021.

3. freehold land (six cases) with gross and net carrying amount of Rs. 282 lakhs included in Note 35(i)(a) on Assets held for sale, which are in the process of being transferred to in the name of the Company through necessary legal proceedings before concerned Trial Court.

4. title deeds (two cases) of leasehold land with gross and net carrying amount of Rs. 5 lakhs and Rs. 3 lakhs respectively included in Note 4 on Right-of-use assets for which lease deeds are yet to be executed in favour of the Company by concerned authorities.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at 31st March, 2021 and no material discrepancies were noticed in respect of such confirmations.

iii. According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. In respect of loans and advances given, investments made and guarantees and securities given, the Company has complied with the provisions of Section 186 of the Companies Act, 2013.

v. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.

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 Companies Act, 2013, in respect of manufacture of wire and wire rope products and allied machinery and are of the opinion that, prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited with appropriate authorities though there has been a slight delay in a few cases of income-tax and goods and service tax.

b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, except as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of Payment
Jharkhand Public Demand Recovery Act	Land revenue	170	April 2018 to September 2020	31st March of respective year	Not yet paid

c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, goods and service tax, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount * (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central and State Sales Tax / Value Added Tax Act	Duty of Central and State Sales Tax, Value Added Tax and Entry tax	2,492 #	2004-05, 2008-09, 2010-11 to 2017-18	Sales Tax/Value Added Tax Appellate Tribunal
		276	2015-16	Assistant Commissioner, Maharashtra
		11	2010-11	Additional Commissioner of Commercial Taxes
		2	2010-11	Madhya Pradesh High Court
		115 #	2013-14	Deputy Excise and Taxation Commissioners (Appeal)
		822	2002-03 to 2005-06	Ranchi High Court
		16	2003-04	Chennai High Court
Central Excise Act, 1944	Duty of excise	18,212	2004-05 to 2017-18	Central Excise and Service Tax Appellate Tribunal
		3,944	2009-10, 2012-13, 2015-16, 2017-18	Commissioner of Central Excise (Appeals)
Finance Act, 1994	Service tax	1,857	2003-04 to 2006-07, 2008-09, 2013-14, 2014-15	Central Excise and Service Tax Appellate Tribunal
		732	2001-02, 2016-17, 2017-18	Commissioner (Appeals)
		72	2004-09, 2015-16 to 2017-18	Assistant Commissioner, Jamshedpur
		50	2004-05 to 2007-08, 2013-14 to 2015-16	Joint Commissioner of Central Excise
Goods & Service Tax Act, 2017	Goods and Services Tax	466	2017-18, 2019-20	Joint Commissioner (Appeals)
		22	2018-19	Additional Commissioner (Appeals)
Customs Act,1962	Duty of customs	16	1995-96 to 1996-97, 1998-99, 2000-01 and 2008-09	Deputy Commissioner of Customs
		1,072	1989-90, 1992-93 to 1993-94, 2012-13 to 2014-15	Central Excise and Service Tax Appellate Tribunal
		107	1989-90, 1996-97, 2002-03, 2014-15, 2015-16	Assistant Commissioner of Customs
		7	2005-06	Commissioner (Appeals)
Income Tax Act, 1961	Income tax	552	Assessment Year 1998-99	Ranchi High Court
		3,224	Assessment Year 2007-08 to 2010-11	Income Tax Appellate Tribunal, Ranchi
		7,890	Assessment Year 2009-10 to 2017-18	Commissioner of Income Tax (Appeals)

* Net of amounts paid under protest

Includes demand received by the Company which is disputed along with other entry tax matters as explained in Note 30C of the standalone Ind AS financial statements

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any loans or borrowing in respect of a financial institution or to government or dues to debenture holders during the year.

ix. According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans during the year. Therefore, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

ANNEXURE 1

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares, or fully or partly convertible debentures during the year under review. Accordingly, reporting requirements under clause 3(xiv) are not applicable to the Company and, hence, not commented upon.

xv. According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership Number: 055596
UDIN: 21055596AAAABH1918

Place: Kolkata
Date: 20th May, 2021

ANNEXURE 2

to the Independent Auditor's Report of even date on the Standalone Ind as Financial Statements of Usha Martin Limted

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Usha Martin Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS 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 controls with reference to standalone Ind AS 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 Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS 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, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at 31st March, 2021, 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 issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership Number: 055596
UDIN: 21055596AAAABH1918

Place: Kolkata
Date: 20th May, 2021

STANDALONE BALANCE SHEET

as at 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3A	37,643	39,593
(b) Capital work-in-progress	3A	3,741	3,012
(c) Intangible assets	3B	383	623
(d) Right-of-use assets	4	294	301
(e) Intangible assets under development	3B	40	-
(f) Financial assets			
(i) Investments	5 (i)	15,065	15,065
(ii) Loans	5 (ii)	1,244	1,243
(iii) Other financial assets	5 (iii)	1,456	1,914
(g) Income tax assets (net)	6 (i)	5,033	5,519
(h) Deferred tax assets (net)	6 (ii)	1,836	4,293
(i) Other assets	7	6,615	6,347
Total non-current assets		**73,350**	**77,910**
Current assets			
(a) Inventories	8	25,486	22,908
(b) Financial assets			
(i) Trade receivables	9 (i)	21,718	18,197
(ii) Cash and cash equivalents	9 (ii)	385	477
(iii) Other bank balances	9 (iii)	541	246
(iv) Loans	9 (iv)	718	605
(v) Other financial assets	9 (v)	18,773	19,299
(c) Other assets	10	5,123	6,277
Total current assets		**72,744**	**68,009**
Assets held for sale	35(i)	**1,417**	**1,417**
TOTAL		**1,47,511**	**1,47,336**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	3,054	3,054
(b) Other equity	12	68,382	58,486
Total equity		**71,436**	**61,540**
Liabilities			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(i)	18,629	25,073
(ii) Lease liabilities	13(ii)	21	26
(b) Provisions	14	3,785	3,158
(c) Other liabilities	15	3,015	3,132
Total non-current liabilities		**25,450**	**31,389**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(i)	5,044	6,576
(ii) Lease liabilities	16(ii)	14	3
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	16(iii)	217	302
(B) Total outstanding dues of creditors other than micro and small enterprises	16(iii)	23,779	26,300
(iv) Other financial liabilities	16(iv)	12,244	10,535
(b) Provisions	17	708	728
(c) Income tax liabilities (net)	18	205	175
(d) Other liabilities	19	8,414	9,788
Total current liabilities		**50,625**	**54,407**
Total liabilities		**76,075**	**85,796**
TOTAL		**1,47,511**	**1,47,336**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
CONTINUING OPERATIONS			
Income			
Revenue from operations	20	1,34,560	1,39,262
Other income	21	1,876	2,989
Total income		**1,36,436**	**1,42,251**
Expenses			
Cost of materials consumed	22	76,610	74,090
Purchase of stock-in-trade		2,631	2,313
Changes in inventories of finished goods, work-in-progress, stock -in- trade and scrap/by-product	23	2,381	7,612
Employee benefits expense	24	11,742	12,751
Finance costs	25	4,452	5,807
Depreciation and amortisation expense	26	3,064	2,777
Other expenses	27	22,520	25,430
Total expenses		**1,23,400**	**1,30,780**
Profit before tax from continuing operations		13,036	11,471
Tax expenses of continuing operations	6(ii)		
Current tax charge		30	-
Adjustment of tax relating to earlier periods		-	154
Deferred tax charge		2,510	19,921
Total tax expense		**2,540**	**20,075**
Profit/(loss) for the year from continuing operations		10,496	(8,604)
Discontinued operations	35 (ii)		
Profit / (loss) for the year before tax from discontinued operations		(444)	48,144
Tax expenses of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations		**(444)**	**48,144**
Profit for the year (from continuing and discontinued operations) (I)		10,052	39,540
Other comprehensive income /(loss)			
Re-measurement gains/ (losses) on defined benefit plans	31	(210)	(1,463)
Income tax effect on the above		53	368
Total other comprehensive income / (loss) for the year, net of tax (II)		(157)	(1,095)
Total comprehensive income for the year (I+II)		**9,895**	**38,445**
Basic and diluted earnings per equity share [Nominal value per share Re 1 each (31st March, 2020- Re 1 each)]	28		
(a) From continuing operations - (Rs.)		3.45	(2.82)
(b) From discontinued operations- (Rs.)		(0.15)	15.80
(c) From continuing and discontinued operations (Rs.)		3.30	12.98

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

		Year ended 31st March, 2021	Year ended 31st March, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax from continuing operations	13,036	11,471
	Profit /(loss) before tax from discontinued operations	(444)	48,144
	Profit for the year (from continuing and discontinued operations)	**12,592**	**59,615**
	Adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expense	3,064	3,349
	Gain on disposal of property, plant and equipment [net of loss on disposal of property, plant and equipment of Rs. 2 lakhs (31st March, 2020: Rs. 6 lakhs)]	(28)	(6)
	Unrealised derivative (gain)/loss [net]	(477)	397
	Finance costs	4,452	7,811
	Bad Debts / advances written off	47	394
	Allowance for credit impaired debts and advances [net of reversal of Rs. 42 lakhs (31st March, 2020: Rs. Nil)]	1,068	637
	Tangible assets / capital work-in-progress written off	1	1
	Interest income on financial assets carried at amortised cost	(393)	(390)
	Dividend income	(120)	(160)
	Unrealised foreign exchange differences (gain)/loss [net]	638	816
	Liabilities no longer required written back	(3,621)	(2,025)
	Discounting of financial assets	44	(254)
	Impairment of non current assets	-	2,851
	Profit on sale of Steel and Bright Bar Business undertaking (discontinued operations)	-	(55,652)
	Operating profit before changes in non-current / current assets and liabilities	**17,267**	**17,384**
	Adjustments for:		
	(Increase) / decrease in inventories	(2,578)	(1,204)
	(Increase) / decrease in trade receivables	(4,234)	2,747
	(Increase) / decrease in loans and advances	17	(289)
	(Increase) / decrease in other financial assets	(221)	(21)
	(Increase) / decrease in other assets	584	(6,314)
	Increase / (decrease) in trade payables	(275)	2,763
	Increase / (decrease) in provisions	404	322
	Increase / (decrease) in other financial liabilities	(506)	(2,474)
	Increase / (decrease) in other liabilities	159	3,595
	Cash generated from operations	**10,617**	**16,509**
	Direct taxes (paid)/refund (net)	459	(1,697)
	Net cash flows from operating activities	**11,076**	**14,812**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	(1,631)	(3,097)
	Proceeds from sale of property, plant and equipment, intangible assets and assets held for sale	47	48
	Loans given to related party [net of loans realised from related party of Rs. 753 Lakhs (31st March,2020: Rs. 70 lakhs)]	(115)	(550)
	Proceeds of sale of Steel and Bright Bar Business undertaking (discontinued operations)	-	2,82,980
	Interest received	429	326
	Redemption/(Investment) in bank deposits (with original maturity more than 12 months)	354	(150)
	Refund received (payment) /of margin money with banks	(298)	1,989
	Refund of advance given for acquisition of land	-	10,306
	Dividend received	120	160
	Net cash flows from/(used in) investing activities	**(1,094)**	**2,92,012**

STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

		Year ended 31st March, 2021	Year ended 31st March, 2020
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	-	14,550
	Repayment of long term borrowings	(4,271)	(2,52,144)
	Repayment of short term borrowings	(1,532)	(59,042)
	Interest paid	(4,271)	(10,540)
	Dividend transferred to Investor Education and Protection Fund	-	*
	Net cash flows used in financing activities	**(10,074)**	**(3,07,176)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(92)**	**(352)**
	Cash and cash equivalents at the beginning of the year	**477**	**829**
	Cash and cash equivalents at the year end	**385**	**477**
	Reconciliation of cash and cash equivalent as per statement of cash flows		
	Balances with banks:		
	On current account	100	45
	Deposits with original maturity less than 3 months	269	424
	Cash on hand	16	8
		385	**477**

* Amount is below the rounding off norm adopted by the Company.

1. The figures in bracket indicate outflows.
2. The above statement of cash flows has been prepared under the indirect method as set out in "Indian Accounting Standard - 7" - Statement of Cash flows.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

A) EQUITY SHARE CAPITAL (REFER NOTE 11)

Equity shares of Re 1 each issued, subscribed and fully paid -up	Number of shares	Amount
As at 31st March, 2019	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2020	30,47,41,780	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2021	30,47,41,780	3,054 *

*Including share forfeited *Rs.* 7 lakhs (31st March, 2020: *Rs.* 7 lakhs)

B) OTHER EQUITY (REFER NOTE 12)

	Reserves and surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	Other reserves	
As at 31st March, 2019	85,584	369	2,285	54,575	(1,29,124)	6,350	20,039
Profit for the year	-	-	-	-	39,540	-	39,540
Other comprehensive income /(loss) for the year	-	-	-	-	(1,095)	-	(1,095)
Total comprehensive income for the year	-	-	-	-	38,445	-	38,445
As at 31st March, 2020	85,584	369	2,285	54,575	(90,677)	6,350	58,486
Profit for the year	-	-	-	-	10,052	-	10,052
Other comprehensive income /(loss) for the year	-	-	-	-	(157)	-	(157)
Total comprehensive income for the year	-	-	-	-	9,895	-	9,895
As at 31st March, 2021	85,584	369	2,285	54,575	(80,781)	6,350	68,382

Refer note 12 for nature and purpose of reserves

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

1. COMPANY OVERVIEW

Usha Martin Limited (the 'Company') is a public limited company incorporated and domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is engaged in the following businesses:

- Wire and Wire ropes – Manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.
- Others – Manufacture and sale of wire drawing and allied machines

The equity shares of the Company are listed on two recognised stock exchanges in India and its GDRs are listed on stock exchange in Luxembourg. The registered office of the Company is located at 2A, Shakespeare Sarani, Kolkata - 700071. Company's continuing business of wire and wire ropes caters to both domestic and international markets.

2A. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation and compliance with Ind AS

(i) These standalone Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The accounting policies have been applied consistently over the periods presented in the financial statements. The Company has considered possible effect of COVID-19 in preparation of these standalone Ind AS financial staments (refer note 40).

(ii) These financial statements were approved for issue by the Board of Directors on 20th May 2021.

(iii) These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs, except when otherwise indicated.

b. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities and advance income taxes paid are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Basis of measurement

Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue from contract with customers

Revenue from contracts with customers is recognised at a point in time when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is entitled to in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the Government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 30-120 days from the shipment or delivery of goods or services as the case may be. The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices.

Goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Interest income

Interest income is included in other income in the Statement of Profit and Loss. For all financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the Company's right to receive the payment is established which is generally when shareholders approve the dividend.

e. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital work-in-progress.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalised if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss, when the asset is derecognised.

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

(i) Capital work-in-progress

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Assets in the course of construction are capitalised in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

(ii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line method basis over its expected useful life (determined by the management based on technical estimates), as follows:

Particulars	Useful economic life
Building*	30-60 years
Plant and equipment**	10-41 years
Electrical installations	10-40 years
Water treatment and supply plant	15-30 years
Office equipment	3-5 years
Furniture and fixtures	5-10 years
Vehicles	8 years

*Roads included under buildings are depreciated considering useful life of 3-10 years
** Stores and spares, having useful life of more than one year, included under plant and equipment are depreciated considering useful life of 2-9 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment, electrical installation and water treatment and supply over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such cost. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost net of recoverable taxes, trade discount and rebates. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use attributable to the intangible assets. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Company has intangible assets with finite useful lives.

Computer softwares are amortised on straight-line method at the rates determined based on estimated useful lives which vary from 3 years to 6 years.

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed to the Statement of Profit and Loss as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

(i) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(ii) Its intention to complete and its ability and intention to use or sell the asset

(iii) How the asset will generate future economic benefits

(iv) The availability of resources to complete the asset

(v) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit and the expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

g. Non-current assets held for sale and discontinued operations

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit /loss from discontinued operations in the Statement of Profit and Loss.

The Company has considered profit / loss from discontinued operations together with profit/loss of continuing operations to determine the Company's total tax liability and disclosed the same as tax expense from continuing operations.

Basis of segregation into discontinued operations are provided in note 29 (iii) and additional disclosures in respect of discontinued operations are provided in note 35(ii) to the financial statements.

h. Foreign currencies

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

j. Borrowing costs

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

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

k. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term (30-99 years).

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

l. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing materials, stores and spares parts and loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Work-in-progress and finished goods: Cost includes cost of direct materials and cost of conversion and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Scrap / by products are valued at net realisable value.

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

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

n. Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o. Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

Defined contribution plan

Retirement benefits in form of superannuation is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognises contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined benefit plans – Gratuity, provident fund and long term service award

Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the Statement of Profit and Loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurements, comprising of actuarial gains and losses from changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

immediately in the Statement of Profit and Loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident fund
Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Usha Martin Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Long term service award
Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

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

Financial assets

Initial recognition and measurement
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115:Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

(i) Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI) with recycling of cumulative gains and losses (debt instruments)

A 'financial asset' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Profit and Loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

Dividends on listed equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

(iv) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to Statement of Profit and Loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when the contractual rights to receive cash flows from the financial asset have expired or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial instruments not held at fair value through profit or loss in accordance with Ind AS 109. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months from the reporting

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (very good and good) by the good credit rating agency and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the good credit rating agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, borrowings (net of directly attributable cost), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit and Loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109: Financial instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109:Financial instruments are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has designated forward exchange contracts as at fair value through profit and loss.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109: Financial instruments and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. The Company does not hold derivative financial instruments for speculation purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and the resulting profit and loss is taken to the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

r. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

s. Cash dividend distributions to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders.

t. Earnings per share

Basic earnings per share is calculated by dividing the net profit and loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss before OCI for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "unallocated revenue/expenses/assets/liabilities".

v. Use of estimates and critical accounting judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years (refer note 29).

2B. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

3A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	Freehold land [refer note (b) (I) below]	Leasehold land	Buildings [refer note (b) (II) below]	Plant and equipment	Electrical installations	Water treatment and supply plant	Office equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
Gross block											
As at 31st March, 2019	**4,554**	**63**	**10,499**	**34,336**	**1,718**	**485**	**152**	**92**	**470**	**52,369**	**877**
Additions/adjustments	-	218	918	815	35	-	18	9	101	2,114	2,474
Disposals/adjustments	-	281	-	227	153	-	2	9	86	758	339
As at 31st March, 2020	**4,554**	**-**	**11,417**	**34,924**	**1,600**	**485**	**168**	**92**	**485**	**53,725**	**3,012**
Additions/adjustments	-	-	-	774	7	-	10	3	36	830	936
Disposals/adjustments	3	-	1	3	-	-	8	-	33	48	207
As at 31st March, 2021	**4,551**	**-**	**11,416**	**35,695**	**1,607**	**485**	**170**	**95**	**488**	**54,507**	**3,741**
Accumulated depreciation											
As at 31st March, 2019	**-**	**-**	**1,783**	**9,335**	**211**	**45**	**103**	**59**	**266**	**11,802**	
Charge for the year (refer note 26)	-	-	430	1,940	43	11	16	5	48	2,493	
Disposals / adjustments	-	-	-	63	30	-	1	4	65	163	
As at 31st March, 2020	**-**	**-**	**2,213**	**11,212**	**224**	**56**	**118**	**60**	**249**	**14,132**	
Charge for the year (refer note 26)	-	-	521	2,087	73	11	14	10	44	2,760	
Disposals / adjustments	-	-	*	3	-	-	6	-	19	28	
As at 31st March, 2021	**-**	**-**	**2,734**	**13,296**	**297**	**67**	**126**	**70**	**274**	**16,864**	
Net block											
As at 31st March, 2021	**4,551**	**-**	**8,682**	**22,399**	**1,310**	**418**	**44**	**25**	**214**	**37,643**	**3,741**
As at 31st March, 2020	4,554	-	9,204	23,712	1,376	429	50	32	236	39,593	3,012

* Amount is below rounding off norm adopted by the Company

a) For lien/charge against property, plant and equipment refer note 13(i), note 16(i) and note 16 (iv).

b) **I. Freehold land includes:**

i) Three title deeds of land of Rs. 2,113 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 2,113 lakhs) located at Ranchi, are in the name of erstwhile companies that had amalgamated with the Company in prior years.

ii) One title deed of land of Rs. 42 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 42 lakhs) located at Kolkata, is in the name of erstwhile company that had amalgamated with the Company in prior years.

iii) One plot of land of Rs. 29 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 29 lakhs) located at Mumbai, in respect of which the conveyance deed is yet to be executed in favour of the Company. The title deed is under litigation and pending resolution in the concerned Trial Court as at 31st March, 2021.

II. Buildings include:

i) One property with gross and net carrying amount of Rs. 1 lakh and Rs. 1 lakh respectively (31st March, 2020: gross and net carrying amount of Rs. 1 lakh and Rs. 1 lakh respectively) located at Mumbai, in respect of which the conveyance deed is yet to be executed in favour of the Company. The title deed is under litigation and pending resolution in the concerned Trial Court as at 31st March, 2021.

ii) Two flats [with gross and net carrying amount of Rs. 8 lakhs and Rs. 7 lakhs respectively (31st March, 2020: gross and net carrying amount of Rs. 8 lakhs and Rs. 7 lakhs respectively) located at Kolkata, is in the name of erstwhile company that had amalgamated with the Company in prior years.

c) On transition to Ind AS (i.e. 1st April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

3B INTANGIBLE ASSETS

Particulars	Computer software	Intangible Assets under development
Gross block		
As at 31st March, 2019	**1,660**	**-**
Additions	74	-
As at 31st March, 2020	**1,734**	**-**
Additions	57	40
As at 31st March, 2021	**1,791**	**40**
Accumulated amortisation		
As at 31st March, 2019	**829**	**-**
Charge for the year (refer note 26)	282	-
As at 31st March, 2020	**1,111**	**-**
Charge for the year (refer note 26)	297	-
As at 31st March, 2021	**1,408**	**-**
Net book value		
As at 31st March, 2021	**383**	**40**
As at 31st March, 2020	623	-

4 RIGHT-OF-USE ASSETS

	Land#
Gross block	
As at 31st March, 2019	**-**
Transfer in from property, plant and equipment	281
Additions	27
As at 31st March, 2020	**308**
Additions	-
Disposal / Adjustments during the period/year	-
As at 31st March, 2021	**308**
Accumulated amortisation	
As at 31st March, 2019	**-**
Transfer in from property, plant and equipment	5
Charge for the year (refer note 26)	2
As at 31st March, 2020	**7**
Charge for the year (refer note 26)	7
As at 31st March, 2021	**14**
Net book value	
As at 31st March, 2021	**294**
As at 31st March, 2020	301

Two plots of land with gross and net carrying amount of Rs. 5 lakhs and Rs. 3 lakhs respectively (31st March, 2020: gross and net carrying amount of Rs. 5 lakhs and Rs. 3 lakhs respectively) located at Ranchi, for which lease deeds are yet to be executed in favour of the Company by concerned authorities.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

NON - CURRENT ASSETS

5. FINANCIAL ASSETS

	As at 31st March, 2021	As at 31st March, 2020
(i) Investments		
Investment in equity instruments (unquoted)		
(at cost unless otherwise stated)		
(a) In subsidiary companies		
Usha Martin International Limited		
59,09,388 (31st March, 2020: 59,09,388) ordinary shares of GBP 1 each, fully paid	6,181	6,181
Usha Siam Steel Industries Public Company Limited#		
1,32,00,000 (31st March, 2020: 1,32,00,000) ordinary shares of Thai Baht 10 each, fully paid	2,620	2,620
Usha Martin Singapore Pte Limited		
10,00,000 (31st March, 2020: 10,00,000) ordinary shares of SGD 1 each, fully paid	268	268
Brunton Wire Ropes FZCO (formerly known as Brunton Wolf Wire Rope, FZCO)#		
114 (31st March, 2020: 114) ordinary shares of AED 1,00,000 each, fully paid	1,777	1,777
Usha Martin Americas Inc.		
40,00,000 (31st March, 2020: 40,00,000) shares of USD 1 each, fully paid	1,660	1,660
Gustav Wolf Speciality Cords Limited		
150,000 (31st March, 2020: 150,000) equity shares of Rs. 10 each, fully paid	168	168
UM Cables Limited		
1,11,29,660 (31st March, 2020: 1,11,29,660) equity shares of Rs. 10 each, fully paid	1,271	1,271
Usha Martin Power and Resources Limited		
50,000 (31st March, 2020: 50,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 5 lakhs (31st March, 2020: Rs. 5 lakhs), Rs. 1 lakhs (31st March, 2020: Rs. 1 lakhs), impaired]	4	4
Bharat Minex Private Limited		
2,00,000 (31st March, 2020: 2,00,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 20 lakhs (31st March, 2020: Rs. 20 lakhs), Rs. 20 lakhs (31st March, 2020: Rs. 20 lakhs), impaired]	-	-
Total	13,949	13,949
(b) In joint ventures		
Pengg Usha Martin Wires Private Limited##		
1,08,00,000 (31st March, 2020: 1,08,00,000) equity shares of Rs. 10 each, fully paid	1,080	1,080
CCL Usha Martin Stressing System Limited		
4,73,195 (31st March, 2020: 4,73,195) equity shares of Rs. 10 each, fully paid [Cost Rs. 47 lakhs (31st March, 2020: Rs. 47 lakhs), Rs. 16 lakhs (31st March, 2020: Rs. 16 lakhs), impaired]	31	31
Total	1,111	1,111
Investment in equity instruments (unquoted)		
(at fair value through profit and loss)		
(c) Investment in other companies		
Adityapur Toll Bridge Company Limited		
1,00,000 (31st March, 2020: 1,00,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), Rs. 5 lakhs (31st March, 2020: Rs. 5 lakhs), impaired]	5	5
Usha Communications Technology Limited BVI		
1,21,10,242 (31st March, 2020: 1,21,10,242) ordinary shares of USD 0.50 each, fully paid [Cost Rs. 28 lakhs (31st March, 2020: Rs. 28 lakhs), Rs. 28 lakhs (31st March, 2020: Rs. 28 lakhs), fully impaired]	-	-
UMI Special Steel Limited (in liquidation)		
1,80,68,472 (31st March, 2020: 1,80,68,472) equity shares of Rs. 10 each, fully paid	*	*
Adityapur Auto Cluster Limited		
1,000 (31st March, 2020: 1,000) equity shares of Rs. 1,000 each, fully paid [Cost Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), fully impaired]	-	-
Total	5	5
Total investments	15,065	15,065
Aggregate amount of unquoted investments	15,065	15,065
Aggregate amount of impairment in value of investments	80	80

#The Company's stake has been pledged as per terms of loan taken by Usha Siam Steel Industries Public Company Limited and Brunton Wire Ropes FZCO (BWR) [formerly known as Brunton Wolf Wire Ropes FZCO (BWWR)] (subsidiaries).

##Refer note 30B(iii)(b)

*Amount is below the rounding off norm adopted by the Company

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

		As at 31st March, 2021	As at 31st March, 2020
(ii)	**Loans**		
	(Unsecured, considered good unless otherwise stated)		
	Loans to related parties [Refer note 32 (ii)]	1,170	1,153
	Loans to employees	74	90
Total		**1,244**	**1,243**

Loans are financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

		As at 31st March, 2021	As at 31st March, 2020
(iii)	**Other financial assets**		
	(Unsecured, considered good unless otherwise stated)		
	Advance against land - coal mines [refer note 35(i)(a)]	183	-
	Bank deposits with more than 12 months maturity#	328	682
	Security deposits	894	914
	Interest accrued but not due on deposits	51	52
	Export incentive receivable		
	Considered good	-	266
	Considered credit impaired	266	-
	Less: allowance for credit impaired receivable	(266)	-
Total		**1,456**	**1,914**

#Rs. 63 lakhs (31st March, 2020: Rs. 532 lakhs) earmarked as margin money against issue of letter of credit and bank guarantee

6. INCOME TAXES

		As at 31st March, 2021	As at 31st March, 2020
(i)	**Income tax assets (net)**		
	Advance payment of income tax [net of provision for tax - Rs. Nil (31st March, 2020: Rs. Nil)]	5,033	5,519
(ii)	**Deferred tax assets (net)**		
	Deferred tax assets (DTA)		
	On expenses allowable against taxable income in future years	4,007	4,795
	On carry-forward business losses	1,370	2,644
Total DTA		**5,377**	**7,439**
	Deferred tax liabilities (DTL)		
	On temporary difference between written down value of property, plant and equipment as per books of account and for tax purpose	3,466	3,036
	On unamortised borrowing costs	75	110
Total DTL		**3,541**	**3,146**
Deferred tax assets (net)		**1,836**	**4,293**

(a) The major components of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are:

		As at 31st March, 2021	As at 31st March, 2020
i)	**Tax charge recognised in Statement of Profit and Loss**		
	Current income tax:		
	Current income tax charge	30	-
	Adjustments in respect of current income tax of previous year	-	154
	Deferred tax:		
	Relating to origination and reversal of temporary differences	2,510	19,921
	Tax charge reported in the Statement of Profit and Loss	2,540	20,075

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
ii) Tax income recognised in OCI		
Gain on remeasurement of defined benefit plans	53	368
Tax income reported in OCI	**53**	**368**
Total tax expense for the year [(i) - (ii)]	**2,487**	**19,707**

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated is as follows:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Accounting profit / (loss) before tax	12,592	59,615
Statutory income tax rate	25.17%	25.17%
Tax profit /(loss) at statutory income tax rate	**3,169**	**15,005**
Adjustments		
Exempt income	-	(40)
Disallowable expenses / other non-deductible differences	17	4
Deferred tax on brought forward business losses recognised out of opening balance	(676)	-
Tax on dividend received	30	-
Adjustment of tax relating to earlier periods	-	154
True up adjustments/impact of change in tax rate for future period*	-	4,952
Total	**2,540**	**20,075**

* During the year ended 31st March, 2020, the Company had elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

(c) Reconciliation of deferred tax assets (net):

	As at 31st March, 2021	As at 31st March, 2020
Opening balance as at 1st April	**4,293**	**23,846**
Tax income/(expense) during the period recognised in profit or loss	(2,510)	(19,921)
Tax income/(expense) during the period recognised in OCI	53	368
Closing balance as at 31st March	**1,836**	**4,293**

7. OTHER ASSETS: NON CURRENT

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good unless otherwise stated)		
Capital advances	75	42
Prepaid expenses	71	89
Balances with Government authorities		
Excise / service tax	569	53
Sales tax / value added tax	1,015	1,083
Deposit for legal case	1,965	1,965
Deposit for fuel surcharge / other electricity matter	2,885	2,885
Claims receivable		
Considered good	35	230
Considered credit impaired	600	405
Less: allowance for credit impaired receivable Refer note (D)	(600)	(405)
Advance against coal mines [refer note 35(i)(a)]	2,851	2,851
Less: credit impaired	(2,851)	(2,851)
Total	**6,615**	**6,347**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

CURRENT ASSETS

8. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

	As at 31st March, 2021		As at 31st March, 2020	
Raw materials (including packing materials) *	14,124		9,410	
Goods-in transit	577		474	
		14,701		9,884
Work-in-progress		4,231		4,992
Finished goods	2,290		5,328	
Goods-in transit	1,423		-	
		3,713		5,328
Stock-in-trade		244		103
Stores and spare parts		1,984		1,837
Loose tools		249		254
Scrap / by-product		364		510
Total		**25,486**		**22,908**

* Including Rs. 133 lakhs held by a third party (31st March, 2020: Rs. 88 lakhs)

Note: Year end inventories are net of Rs. 438 lakhs (31st March, 2020: Rs. 532 lakhs) towards write-downs to net realisable value and provision for slow moving.

9. FINANCIAL ASSETS

	As at 31st March, 2021	As at 31st March, 2020
(i) Trade receivables		
(Unsecured) at amortised cost		
Considered good	21,416	17,666
Trade receivables which have significant increase in credit risk	302	531
Trade receivables - credit impaired	473	372
Less: allowance for credit impaired trade receivables	(473)	(372)
	21,718	18,197
Of the above, trade receivables from:		
- related parties [refer note 32 (iii)]	11,278	10,016
- others	10,440	8,181
	21,718	18,197
(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		
(ii) Trade receivables are generally on terms of 30 to 120 days.		
(iii) For lien / charge against trade receivables, refer Note 16(i). Below is the details of trade receivables discounted with recourse available to the bank against the Company and hence not meeting de-recognition criteria:		
Transferred receivables	2,531	876
Associated borrowings [refer note 16(i)]	2,531	876
(iv) Refer Note 34B(a) for information about credit risk and market risk on receivables		
(v) Set out below is the movement in the allowance for credit impaired trade receivables:		
As at 1st April	372	197
Provision/(reversal) for credit impaired trade receivables	101	175
Closing balance	**473**	**372**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
(ii) Cash and cash equivalents		
Balances with banks:		
On current accounts	100	45
Deposits with original maturity less than 3 months*	269	424
Cash on hand	16	8
Total	**385**	**477**

*Short-term deposits with banks are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

	As at 31st March, 2021	As at 31st March, 2020
(iii) Other bank balances		
Unpaid dividend accounts#	-	3
Deposits with original maturity for more than 3 months but up to 12 months##	541	243
Total	**541**	**246**

#Earmarked for payment of unclaimed dividend

##Rs. 215 lakhs (31st March, 2020, Rs. 243 lakhs) earmarked as margin money against issue of letter of credit and bank guarantee

	As at 31st March, 2021	As at 31st March, 2020
(iv) Loans		
(Unsecured considered good unless otherwise stated) at amortised cost		
Loans to related parties [refer note 32 (iii)]	665	550
Loans to employees		
Considered good	53	55
Considered credit impaired	10	10
Less: allowance for credit impaired loans to employees	(10)	(10)
Total	**718**	**605**

	As at 31st March, 2021	As at 31st March, 2020
(v) Other financial assets		
(Unsecured considered good unless otherwise stated)		
Derivative not designated as hedges		
Foreign exchange forward contracts#	80	-
Other financial assets at amortised cost		
Accrued interest on loan to subsidiaries [refer note 32(iii)]	15	51
Accrued interest on deposits and others	44	44
Advance against land - coal mines [refer note 35(i)(a)]	-	227
Receivable from Tata Steel Long Products Limited [refer note 35(ii)]	16,000	16,000
Claims /advances receivable		
Considered good	1,422	1,410
Considered credit impaired	385	-
Less: allowance for credit impaired deposits	(385)	-
Security deposits		
Considered good	147	108
Considered credit impaired	27	27
Less: allowance for credit impaired deposits	(27)	(27)
Export incentive receivables		
Considered good	712	446
Considered credit impaired	66	53
Less: allowance for credit impaired balance	(66)	(53)
Balances with related parties [refer note 32(iii)]	353	891
Other receivables	-	122
Total	**18,773**	**19,299**

#Financial assets at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the impact of change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 34B for details regarding the nature and extent of risks arising from financial instruments to which the Company is exposed at the end of the reporting year.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

10. OTHER ASSETS: CURRENT

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured considered good unless otherwise stated)		
Advances to suppliers*		
Considered good	2,364	2,191
Considered credit impaired	144	36
Less: allowance for credit impaired advances	(144)	(36)
Balance with statutory / Government authorities		
Considered good	2,428	3,868
Considered credit impaired	604	604
Less: allowance for credit impaired balance	(604)	(604)
Prepaid expenses	331	218
Total	**5,123**	**6,277**

* Represents the amount paid towards purchase of goods and are non-interest bearing.

EQUITY

11. SHARE CAPITAL

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
50,00,00,000 (31st March, 2020: 50,00,00,000) equity shares of Re. 1 each	5,000	5,000
1,00,00,000 (31st March, 2020: 1,00,00,000) cumulative redeemable preference shares of Rs. 50 each	5,000	5,000
	10,000	10,000
Issued, subscribed and fully paid-up		
30,47,41,780 (31st March, 2020: 30,47,41,780) equity shares of Re. 1 each	3,047	3,047
Add: shares forfeited (amount originally paid-up)	7	7
Total	**3,054**	**3,054**

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year:

		As at 31st March, 2021	As at 31st March, 2020
Number of equity shares outstanding at the beginning and end of the year	Numbers	30,47,41,780	30,47,41,780
Amount of equity shares outstanding at the beginning and end of the year	Amount in Rs. lakhs	3,047	3,047

(b) 2,28,65,450 (31st March, 2020: 2,28,65,450) equity shares of face value of Re 1 each are represented by Global Depository Receipts (GDRs). Each GDR represents five underlying equity shares.

(c) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share (except in case of GDRs).The holders of GDRs do not have voting right with respect to shares. The dividend if 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 of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(d) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of the shareholder		As at 31st March, 2021	As at 31st March, 2020
Equity shares of Re 1 each fully paid-up			
UMIL Share & Stock Broking Services Limited	Numbers	**3,98,06,236**	3,98,06,236
% holding		**13.06%**	13.06%
Deutsche Bank Trust Company Americas#	Numbers	**2,28,65,450**	2,28,65,450
% holding		**7.50%**	7.50%
Peterhouse Investments India Limited	Numbers	**1,96,16,529**	1,96,53,829
% holding		**6.44%**	6.45%
Usha Martin Ventures Limited	Numbers	**2,00,00,088**	2,00,27,588
% holding		**6.56%**	6.57%
Peterhouse Investments Limited#	Numbers	**1,14,04,919**	2,24,04,919
% holding		**3.74%**	7.35%

#As on 31st March, 2021, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 1,14,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

As on 31st March, 2020, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,24,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

(e) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

12. OTHER EQUITY

	As at 31st March, 2021	As at 31st March, 2020
Securities premium		
(Securities premium represents the premium on issue of shares and can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013)	**85,584**	85,584
Capital reserve		
(Capital reserve represents mainly state capital subsidy received from different state Governments)	**369**	369
Capital redemption reserve		
(Capital redemption reserve is created on redemption of preference shares as per statutory requirement and can be utilised in accordance with the provisions of the Companies Act, 2013)	**2,285**	2,285
General reserve		
(Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013)	**54,575**	54,575
Retained earnings		
(Retained earnings represent the cumulative profit / (loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013)	**(80,781)**	(90,677)
Other reserves		
(Represent money received against equity warrants earlier forfeited and can be utilised in accordance with the provisions of the Companies Act, 2013)	**6,350**	6,350
Total	**68,382**	**58,486**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

NON - CURRENT LIABILITIES

13. FINANCIAL LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
(i) Borrowings		
(at amortised cost)		
(a) Secured		
Term loans		
- Banks (Rupee loans)	18,629	25,038
(b) Unsecured		
- From a body corporate (Rupee loan)	-	35
Total *	**18,629**	**25,073**
Aggregate secured borrowings	**18,629**	**25,038**
Aggregate unsecured borrowings	**-**	**35**

* Net of unamortised borrowing cost of Rs. 296 lakhs (31st March, 2020: Rs. 436 lakhs) against term loans from banks

	Term loans	Nature of security	As at 31st March, 2021	As at 31st March, 2020
	From banks (Rupee loans)			
(i)	ICICI Bank Limited [note (a) below]	A, D	1,499	4,498
(ii)	ICICI Bank Limited [note (b) below]	A, B, C, D	7,604	8,381
(iii)	ICICI Bank Limited [note (c) below]	A, B	7,377	9,075
(iv)	IndusInd Bank Limited [note (d) below]	A, B	2,149	3,084
			18,629	**25,038**
	From financial institution			
(v)	Loan from a body corporate [note (e) below]		-	35
			-	**35**
Total			**18,629**	**25,073**

Loan covenants

Bank loans contain certain debt covenants relating to net debt to EBITDA, debt service coverage ratio, fixed assets coverage ratio etc. The Company has complied with all debt covenants stipulated in the terms of bank loan during the year.

Nature of security

(A) Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged in favour of such lenders

(B) Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.

(C) Secured by personal guarantee of Managing Director of the Company.

(D) Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

Secured term loan - interest rate and terms of repayment

(a) Out of the rupee term loan from a bank amounting to Rs. 1,499 lakhs (31st March, 2020: Rs. 4,498 lakhs) is repayable in two equal quarterly instalments on 30th June, 2022 and 30th September, 2022. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

(b) Rupee term loan from a bank amounting to Rs. 7,604 lakhs (31st March, 2020: Rs. 8,381 lakhs) is repayable in fifteen quarterly instalments from 30th June, 2022 to 31st December, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

(c) Rupee term loan from a bank amounting to Rs. 7,377 lakhs (31st March, 2020: Rs. 9,075 lakhs) is repayable in thirteen quarterly instalments from 30th June, 2022 to 30th June, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(d) Rupee term loan from a bank amounting to Rs. 2,149 lakhs (31st March, 2020: Rs. 3,084 lakhs) is repayable in nine quarterly instalments from 8th April, 2022 to 8th April, 2024. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.10% p.a.

(e) Rupee loans from a body corporate amounting to Rs. Nil (31st March, 2020: Rs. 35 lakhs) has been repaid during the year.

(f) Outstanding balances of loans and terms of repayment as indicated in (a) to (e) are exclusive of current maturities of such loans as disclosed in Note 16(iv).

	As at 31st March, 2021	As at 31st March, 2020
(ii) Lease liabilities		
at amortised cost	21	26
Total lease liabilities	35	29
Less: shown under current (refer note 16 (ii))	14	3
Non current lease liability	21	26
Change in liabilities arising in financial activities		
Beginning of the year	29	-
On adoption of IndAS-116	-	27
Accretion of interest	6	3
Less: payments	-	1
End of the year	35	29

14. PROVISIONS

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 31)	3,721	3,090
Long service award (refer note 31)	64	68
Total	**3,785**	**3,158**

15. OTHER LIABILITIES: NON-CURRENT

	As at 31st March, 2021	As at 31st March, 2020
Accruals for various obligations		
Excise/service tax/goods and service tax	1,457	1,518
Sales tax/entry tax	1,558	1,599
Other legal cases	-	15
Total	**3,015**	**3,132**

CURRENT LIABILITIES

16. FINANCIAL LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
(i) Borrowings		
(at amortised cost)		
(a) Secured *		
Working capital loans from banks / loans repayable on demand	2,513	5,700
(b) Unsecured		
Indian rupee bill discounting#	2,531	876
Total	**5,044**	**6,576**

*Nature of security - Secured by first charge by way of hypothecation of all current assets of the Company. Further such loans from banks are also secured by charge on certain immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. The loans are repayable on demand and carry interest @ 7.60% to 8.75% p.a. payable at monthly rests. Apart from securities mentioned above, working capital from a bank is secured by personal guarantee of Managing Director of the Company.

#The Company has discounted trade receivables on recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable does not meet de-recognition criteria. These bills are discounted @ 7.00% to 8.00% p.a. and are repayable within 180 days.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
(ii) Lease liabilities		
(at amortised cost)	**14**	3

	As at 31st March, 2021	As at 31st March, 2020
(iii) Trade payables		
(at amortised cost)		
Total outstanding dues of micro and small enterprises (refer note 37)	**217**	302
Total outstanding dues of creditors other than micro and small enterprises	**14,033**	16,409
Dues to related parties (refer note 32(iii)	**206**	277
Acceptances	**9,540**	9,614
	23,779	**26,300**
Total	**23,996**	**26,602**

Trade payables are normally settled up to 365 day terms.

Acceptances represent arrangements whereby banks make direct payments to suppliers of raw materials. The banks are subsequently repaid by the Company at a later date providing working capital timing benefits. Where these arrangements are for raw materials and have a maturity of upto the credit period contracted with the suppliers, the economic substance of the transaction is considered to be operating in nature and included under "Trade payables".

Acceptances payable to banks carry interest @ 6.50% to 8.50% p.a. and are secured by hypothecation of all current assets of the Company. Further such acceptances are also secured by charge on certain movable & immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, in respect of acceptances from a bank, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. In respect of acceptances from another bank, personal guarantee of Managing Director has been given.

Refer note 34B(b) for explanations on the Company's liquidity risk management processes.

	As at 31st March, 2021	As at 31st March, 2020
(iv) Other financial liabilities		
Derivatives not designated as hedges		
Foreign exchange forward contracts#	**-**	397
Other financial liabilities at amortised cost		
Current maturities of long-term borrowings###	**5,550**	3,237
Interest accrued but not due on borrowings	**17**	53
Interest accrued on trade payables and others	**224**	147
Unclaimed dividends##	**-**	3
Security deposits received	**64**	221
Liability towards project vendors	**2,329**	2,785
Payable relating to coal mines	**1,384**	1,384
Payable to a related party [refer note 32(iii)]	**103**	139
Employee benefits payable	**1,610**	1,785
Other payables	**963**	384
Total	**12,244**	**10,535**

#Financial liabilities at fair value through profit and loss
Derivative instruments at fair value through profit and loss reflect the impact of change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships. Refer note 34B for details regarding the nature and extent of risks arising from financial instruments to which the Company is exposed at the end of the reporting year.
##There are no amount due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the year end.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

###Interest rate, nature of security and terms of repayment are:

Term Loan (secured)		Nature of security	As at 31st March, 2021	As at 31st March, 2020
From banks				
(i)	ICICI Bank Limited [note (a) below]	A, D	3,000	500
(ii)	ICICI Bank Limited [note (b) below]	A, B, C, D	800	800
(iii)	ICICI Bank Limited [note (c) below]	A, B	1,750	750
(iv)	IndusInd Bank Limited [note (d) below]	A, B	-	1,000
Total			**5,550**	**3,050**
From financial institutions				
(v)	Unsecured loan from a body corporate [note (e) below]		-	187
			-	187
Total			**5,550**	**3,237**
	Aggregate secured borrowings		**5,550**	**3,050**
	Aggregate unsecured borrowings		**-**	**187**

Nature of security

(A) Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged in favour of such lenders

(B) Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.

(C) Secured by personal guarantee of Managing Director of the Company.

(D) Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

Secured term loan - interest rate and terms of repayment

(a) Rupee term loan from a bank amounting to Rs. 3,000 lakhs (31st March, 2020: Rs. 500 lakhs) is repayable in four quarterly instalments from 30th June, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(b) Rupee term loan from a bank amounting to Rs. 800 lakhs (31st March, 2020: Rs. 800 lakhs) is repayable in four quarterly instalments from 30th June, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(c) Rupee term loan from a bank amounting to Rs. 1,750 lakhs (31st March, 2020: Rs. 750 lakhs) is repayable in three quarterly instalments from 30th September, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(d) Rupee term loan from a bank due in four quarterly instalments from 8th April, 2021 to 8th January, 2022 amounting to Rs. 1,000 lakhs is prepaid during the year. Interest is payable on monthly basis at base rate of the bank plus 1.10% p.a.

(e) Rupee loans from a body corporate amounting to Rs. 187 lakhs as on 31st March, 2020 has been repaid during the year.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Changes in liabilities arising from financing activities

Particulars	01-04-2020	Cash flows	EIR adjustment	Others	31-03-2021
Non current borrowings	25,073	(1,034)	140	(5,550)	18,629
Current maturities of long term borrowings	3,237	(3,237)		5,550	5,550
Loans repayable on demand	5,700	(3,187)	-	-	2,513
Indian Rupee bill discounting	876	1,655	-	-	2,531
Total liabilities from financing activities	**34,886**	**(5,803)**	**140**	**-**	**29,223**

Particulars	01-04-2019	Cash flows	EIR adjustment	Others	31-03-2020
Non current borrowings	2,26,973	(1,99,043)	380	(3,237)	25,073
Current maturities of long term borrowings	38,551	(38,551)	-	3,237	3,237
Loans repayable on demand	58,158	(40,225)	-	(12,233)	5,700
Loan from a related party	5,548	(5,548)	-	-	-
Indian Rupee bill discounting	14,145	(13,269)	-	-	876
Total liabilities from financing activities	**3,43,375**	**(2,96,636)**	**380**	**(12,233)**	**34,886**

17. PROVISIONS

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Leave encashment	703	724
Long service award (refer note 31)	5	4
Total	**708**	**728**

18. INCOME TAX LIABILITIES (NET)

	As at 31st March, 2021	As at 31st March, 2020
Provision for income tax [net of taxes paid Rs. 713 lakhs (31st March, 2020: Rs. 713 lakhs)]	205	175

19. OTHER LIABILITIES: CURRENT

	As at 31st March, 2021	As at 31st March, 2020
Contract liabilities *		
- related parties [refer note 32(iii)]	19	11
- others	3,227	3,584
Statutory dues payable#	2,247	1,955
Advance received against sale of land	-	33
Renewable power obligation	2,921	4,205
Total	**8,414**	**9,788**

*Contract liabilities are short-term advances received towards sale of goods and are non-interest bearing
#Statutory dues primarily includes payable in respect of goods and services tax (GST), tax deducted at source etc.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

20. REVENUE FROM OPERATIONS

	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of goods	1,30,042	1,34,401
Sale / rendering of services	367	445
Other operating revenue:		
Product scrap sales	2,615	2,262
Sale of captive power	382	420
Export incentive	1,154	1,734
Total	**1,34,560**	**1,39,262**

20A. Disaggregated revenue information

	Year ended 31st March, 2021	Year ended 31st March, 2020
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Wire and wire ropes	1,34,327	1,39,092
Others	233	170
Total revenue from contracts with customers	**1,34,560**	**1,39,262**
For reconciliation of the revenue from operations with the amounts disclosed in the segment information, refer note 33		
India	98,988	1,00,091
Outside India	35,572	39,171
Total revenue from operations	**1,34,560**	**1,39,262**

20B. Timing of revenue recognition

	Year ended 31st March, 2021	Year ended 31st March, 2020
Goods transferred at a point in time	1,34,193	1,38,817
Services rendered over time	367	445
	1,34,560	**1,39,262**

20C. Contract balances

	Year ended 31st March, 2021	Year ended 31st March, 2020
Trade receivables [refer note 9(i)]	21,718	18,197
Contract liabilities (refer note 19)	3,246	3,595

Trade receivables are generally on terms of 30 to 120 days. Rs. 473 lakhs (31st March, 2020: Rs. 372 lakhs) was recognised as allowance for credit impaired trade receivables.

Contract liabilities include advances received to deliver goods or services.

20D. Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted prices

	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue as per contracted prices	1,35,896	1,40,603
Less: discount/volume rebates	1,336	1,341
Revenue from contract with customers	**1,34,560**	**1,39,262**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

20E. The Company has recognised the following revenue-related contract liabilities and receivables from contract with customers

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amounts included in contract liabilities at the beginning of the year	3,595	2,832
Less: Revenue recognised against the opening contract liability on satisfaction of performance obligations	3,224	2,481
Add: Advance received during the year	2,875	3,244
Amounts included in contract liabilities at the end of the year (refer note 19)	**3,246**	**3,595**

20F. Performance obligations

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 120 days from delivery. Some contracts provide eligible customers with volume rebates which give rise to variable consideration subject to constraint.

	Year ended 31st March, 2021	Year ended 31st March, 2020
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March, 2021 are as follows:	**13,197**	**18,986**
0-1 Months	7,936	12,160
1-3 Months	4,741	4,696
3-6 Months	460	1,806
More than 6 months	60	324

All the performance obligations are expected to be recognised within one year.

21. OTHER INCOME

	Year ended 31st March, 2021	Year ended 31st March, 2020
Dividend income	120	160
Miscellaneous scrap sales	147	74
Exchange differences [net]	-	1,060
Gain on derivative contracts / cancellation of forward contracts [net]	437	-
Liabilities no longer required written back	419	936
Allowance for doubtful debts and advances no longer required written back	42	-
Claims received	9	6
Gain on disposal of property, plant and equipment [net of loss on disposal of property, plant and equipment of Rs. 2 lakhs (31st March, 2020: Rs. 6 lakhs)]	28	6
Interest income on financial assets carried at amortised cost	393	366
Miscellaneous income	281	381
Total	**1,876**	**2,989**

22. COST OF MATERIALS CONSUMED

	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening stock	9,884	3,731
Add: purchases	81,427	80,243
	91,311	**83,974**
Less: closing stock	14,701	9,884
Cost of materials consumed *	**76,610**	**74,090**

* Cost of materials consumed includes packing materials amounting to Rs. 3,005 lakhs (31st March, 2020: Rs. 3,472 lakhs)

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP/ BY-PRODUCT

		Year ended 31st March, 2021	Year ended 31st March, 2020
(A)	**Finished goods**		
	Opening stock	5,328	2,996
	Less: closing stock	3,713	5,328
	Adjustment on account of discontinued operations	-	(123)
		1,615	(2,455)
(B)	**Work-in-progress**		
	Opening stock	4,992	15,518
	Less: closing stock	4,231	4,992
	Adjustment on account of discontinued operations	-	(124)
		761	10,402
(C)	**Stock-in-trade**		
	Opening stock	103	94
	Less: closing stock	244	103
	Adjustment on account of discontinued operations	-	-
		(141)	(9)
(D)	**Scrap/by-product**		
	Opening stock	510	190
	Less: closing stock	364	510
	Adjustment on account of discontinued operations	-	(6)
		146	(326)
	Net changes in inventories [(A) + (B) + (C) + (D)]	**2,381**	**7,612**

24. EMPLOYEE BENEFITS EXPENSE

	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages and bonus	9,997	11,095
Contribution to provident and other funds	812	868
Gratuity expense (refer note 31)	474	279
Staff welfare expenses	459	509
Total	**11,742**	**12,751**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

25. FINANCE COSTS

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on financial liabilities measured at amortised cost	4,059	4,880
Interest on lease liabilities	6	3
Other borrowing costs		
(includes letter of credit opening and retirement charges, loan processing fees etc.)	387	924
Total	**4,452**	**5,807**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

26. DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation of property, plant and equipment (refer note 3A)	2,760	2,493
Amortisation of intangible assets (refer note 3B)	297	282
Amortisation of right-of-use assets (refer note 4)	7	2
Total	**3,064**	**2,777**

27. OTHER EXPENSES

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spares / loose tools	2,257	2,271
Operations and maintenance:		
Plant and machinery	2,894	3,402
Buildings	102	115
Power and fuel [refer note (i) below]	6,910	8,770
Freight and forwarding charges	5,500	5,462
Rent and hire charges	99	131
Rates and taxes	121	60
Insurance	275	198
Travelling and conveyance	89	377
Directors' sitting fees	21	34
Remuneration to auditors [refer note (ii) below]	47	46
Fair value loss on derivative contracts [net]	-	476
Exchange differences [net]	313	-
Allowance for credit impaired debts and advances	265	637
Bad Debts / advances written off	47	103
Material handling charges	207	234
Processing charges	22	52
Miscellaneous expenses [refer note (iii) and (iv) below]	3,351	3,062
Total	**22,520**	**25,430**

(i) The following expenses are included in power and fuel expenses in the Statement of Profit and Loss:

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spares / loose tools	182	191
Material handling charges	123	127
Operations and maintenance: plant and machinery	310	322
Operations and maintenance: buildings	7	4
Miscellaneous expenses	31	27
Total	**653**	**671**

(ii) Remuneration to auditors comprises of:

	Year ended 31st March, 2021	Year ended 31st March, 2020
As auditor:		
For statutory audit and limited reviews	39	39
Tax audit fee	6	3
Fees for other services	5	3
Reimbursement of expenses	*	1
Total	**50**	**46**

* Amount is below rounding off norm adopted by the Company

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(iii) Research and development costs that are not eligible for capitalisation have been expensed during the year amounting to Rs. 366 lakhs (31st March, 2020: Rs. 340 lakhs), and are recognised in miscellaneous expenses.

(iv) Details of CSR expenditure:

	Year ended 31st March, 2021	Year ended 31st March, 2020
a) Gross amount required to be spent by the Company during the year	NA	NA
b) Amount spent during the year		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
Total	-	-

The Company did not earn average net profits over the preceding three financial years and hence CSR provisions as per section 135 of the Companies Act, 2013 are not applicable to the Company.

28. EARNINGS / (LOSS) PER EQUITY SHARE (EPS)

	Year ended 31st March, 2021	Year ended 31st March, 2020
The following reflects the income and share data used in the basic and diluted EPS computations:		
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from continuing operations (a)	10,496	(8,604)
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from discontinued operations (b)	(444)	48,144
Profit/(loss) for the period [(c) = (a) + (b)]	10,052	39,540
Weighted average number of equity shares outstanding for the purpose of basic and diluted EPS	30,47,41,780	30,47,41,780
Basic and diluted earnings / (loss) per equity share from continuing operations (Rs.)	3.45	(2.82)
Basic and diluted earnings / (loss) per equity share from discontinued operations (Rs.)	(0.15)	15.80
Basic and diluted earnings / (loss) per equity share from continuing and discontinued operations (Rs.)	3.30	12.98
Nominal value per share (Re.)	1	1

Earnings per share from discontinued operations as disclosed in these financial statements have been determined taking into consideration the profit from sale of SBB Business as stated in Note 35 (ii).

Profit /(loss) from continuing and discontinued operations for the year ended 31st March, 2020 includes utilisation of deferred tax assets pursuant to sale of SBB business and profit from sale of SBB business respectively. Therefore, earnings per share from continuing and discontinued operations for the year ended 31st March, 2021 are not comparable with those for the year ended 31st March, 2020.

There have been no other transactions involving equity shares between the reporting date and the date of authorisation of these financial statements.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

29. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and these are reviewed at each Balance Sheet date. Uncertainties about these assumptions and estimates including those relating to the on-going COVID-19 pandemic as explained in note 40 could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management (refer note 35D)
- Financial risk management objectives and policies (refer note 34B)
- Sensitivity analysis disclosures (refer note 31)

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Company as lessor

The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

(ii) Revenue from contracts with customers

The Company applied the judgement of determining method to estimate variable consideration and assessing the constraint that significantly affect the determination of the amount and timing of revenue from contracts with customers.

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. In estimating the variable consideration for the sale of goods with volume rebates, the Company determined that the most likely amount method is appropriate.

(iii) Discontinued operations [refer note 35(ii)]

The Steel and Bright Bar Business (SBB Business) included only those assets and liabilities (including contingencies) that were to be acquired by the Purchaser under the terms of the BTA subject to the amendments and substitution vide Supplemental BTA (assumed assets, assumed liabilities and assumed litigations).

Assets, liabilities, income and expenses recognised in the discontinued SBB Business are those which are directly attributable to these business and are based on the books of account and underlying accounting records maintained by the SBB Business.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Pursuant to the terms of the BTA, certain assets pertaining to SBB Business are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables, deposit for fuel surcharge matter/electricity matter and deposit for a legal mining case which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful economic lives of property, plant and equipment and impairment considerations

Property, plant and equipment/intangible assets are depreciated/amortised over their estimated useful life, after taking into account estimated economic residual value. Management reviews the estimated economic useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

The Company also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, the Company's business plans and changes in regulatory environment are taken into consideration.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(ii) Taxes

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits and business developments together with future tax planning strategies.

(iii) Defined benefit plans

The cost and the present value of the defined benefit gratuity plan and long term service award are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iv) Revenue recognition - estimating variable consideration for volume rebates

The Company estimates variable considerations to be included in the transaction price for the sale of goods with volume rebates. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. Estimates of volume rebates are sensitive to changes in circumstances and the Company's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

(v) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

(vi) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has capital commitments in relation to various capital projects which are not recognised on the Balance Sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(vii) Non-current assets held for sale

Assets and liabilities of non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sale. The determination of fair value less costs to sale include use of management estimates and assumptions. The fair value has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs.

(viii) Valuation of inventories

The Company follows suitable provisioning norms for writing down the value of slow-moving, non-moving and surplus inventory. This involves various judgements and assumptions that may differ from actual developments in the future.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

30. COMMITMENTS AND CONTINGENCIES

A Leases

(a) Company as a lessee

(i) The Company as a lessee has entered into various lease contracts, which includes lease of land, office space, employee residential accommodation, guest house etc. Before the adoption of Ind AS 116: Leases, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Generally, the Company is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in aligning with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Company has certain leases of office space, employee residential accommodation, guest house etc with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the net carrying amounts of right-of-use assets recognised in Balance Sheet and the movement during the year:

	Land
As at 31st March, 2019	-
Transfer in from property, plant and equipment	276
Addition during the year	27
Less: amortisation	2
As at 31st March, 2020	**301**
Addition during the year	-
Less: amortisation	7
As at 31st March, 2021 (refer note 4)	**294**

(ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

	As at 31st March, 2021	As at 31st March, 2020
Balance as at beginning of the year	29	-
Addition	-	27
Accretion of interest (refer note 25)	6	3
Payments	-	1
Balance as at the end of the year	**35**	**29**
Current [refer note 16(ii)]	14	3
Non-current [refer note 13(ii)]	21	26

The maturity analysis of lease liabilities is disclosed in Note 34B (b).

The effective interest rate for lease liabilities is 10.95%, with maturity between 2021-2095.

(iii) Amounts recognised in the Statement of Profit and Loss

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amortisation expense of right-of-use assets (recognised in depreciation and amortisation expenses)	7	2
Interest expense on lease liabilities (recognised in finance costs)	6	3
Expense relating to short-term leases (included in rent and hire charges)	99	131
Total amount recognised in Statement of Profit and Loss for the year	**112**	**136**
(iv) Amount recognised in the Statement of Cash Flows		
Total cash outflow for the leases	**-**	**1**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

B Commitments

		As at 31st March, 2021	As at 31st March, 2020
(i)	**Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**360**	510
(ii)	**Other commitments**		
	Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme. During the year, the Company has filed an application to the Directorate General of Foreign Trade (DGFT) for revision of Average Export Obligation (AEO). Supported by a legal opinion obtained, the Company is reasonably certain of a favourable outcome and hence it does not anticipate a liability with respect to its obligations.	**1,17,500**	1,17,500
(iii)	**Guarantees**		
(a)	Corporate guarantee given by the Company to banks / third parties to secure the financial assistance / accommodation extended on behalf of subsidiaries. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required. [refer note 32(iii)].	**3,583**	4,252
(b)	The Company has provided a letter of comfort to a bank that has provided credit facilities to its joint venture, Pengg Usha Martin Limited. Such facilities have been utilised to the extent of Rs. 2,934 lakhs as at 31st March, 2021 (Rs. 2,986 lakhs as at 31st March, 2020) by the joint venture company. Vide the letter of comfort, the Company has provided an undertaking not to dispose off its investment in that joint venture company and to provide full support to its operations [refer note 32(iii)].		
(iv)	**Bank guarantees**		
	The Company has given bank guarantees details of which are as below:		
(a)	In favour of various parties against various contracts	**441**	461
	The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.		

C Contingent liabilities

	As at 31st March, 2021	As at 31st March, 2020
Claims against the Company not acknowledged as debt## *		
Demand for income tax matters	**1,672**	2,162
Demand for sales tax, entry tax and electricity duty**	**4,229**	4,652
Demand for excise duty and service tax	**13,255**	13,056
Demand for customs duty	**1,129**	1,576
Demand for Goods and Service Tax	**487**	487
Demand for land revenue	**222**	-
Outstanding labour disputes	**28**	39
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	**10,980**	10,980
Demand for mining matter pending with High Court of Jharkand @	**2,862**	2,862
Demand for compensation on account of mining and dump/infrastructure/colony established outside approved mining lease area	**1,710**	1,710
Demand for financial assurance amount in Escrow account	**226**	226
Disputed claims by parties not acknowledged as debt by the Company	**3,006**	5,276

*Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above mentioned matters and hence no provision there against is considered necessary.

**Includes demand aggregating to Rs. 1,730 lakhs (31st March, 2020: Rs. 1,730 lakhs) received by the Company towards entry tax in West Bengal and Punjab. Subsequent to the decision of the Hon'ble Supreme Court of India, vide order dated 11th November, 2016, upholding the rights of State Governments to impose entry tax, the Company has filed petitions before the Hon'ble High Courts of the aforesaid States and also Jharkhand on grounds that entry tax imposed by respective State legislations is discriminatory in nature. Pending decisions by the Hon'ble High Courts, the Company's obligation, if any, towards entry tax is not ascertainable. Based on legal opinion obtained, management believes that there will be no resultant adverse impact on the Company.

@The Company had given an undertaking to deposit Rs. 1,922 lakhs in six instalments in terms of the order of the Hon'ble High Court of Jharkand. Against the same, the Company has deposited and amount of Rs. 1,922 lakhs upto 31st March, 2020.

##Pending necessary clarification, the Company has complied with order of the Hon'ble Supreme Court of India regarding applicability of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to certain fixed elements of remuneration paid/payable to employees with effect from the date of such order, i.e., 28th February, 2019 and has deposited such statutory dues with appropriate authorities. Any additional provision in respect of earlier periods will be recognised as and when further clarifications will be available.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

31. POST EMPLOYMENT DEFINED CONTRIBUTION PLANS AND POST EMPLOYMENT DEFINED BENEFIT PLANS

(a) Post employment defined contribution plans

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amount recognised in the Statement of Profit and Loss		
(i) Pension fund paid to the authorities	298	312
(ii) Superannuation fund - contribution payable / paid to a Trust	181	200
Total	**479**	**512**

(b) Post employment defined benefit plans

I. Gratuity plan

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. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company.

II. Long term service award

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the above defined benefit plans:

A Expenses recognised in the Statement of Profit and Loss

		Year ended 31st March, 2021		Year ended 31st March, 2020	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Current / past service cost	269	3	178	3
2	Net interest cost	205	5	101	5
3	**Amount recognised in Statement of Profit and Loss**	474	8	279	8
	Expenses recognised in other comprehensive income				
4	Remeasurement (gains)/losses on defined benefit plans				
	Arising from changes in experience	221	(9)	855	(6)
	Arising from changes in financial assumptions	-	-	604	4
	Return on plan assets greater/(lesser) than discount rate	(2)	-	6	-
5	**Total (ii)**	**219**	**(9)**	**1,465**	**(2)**
6	**Total expense (i)+(ii)**	**693**	**(1)**	**1,744**	**6**

B Net asset / (liability) recognised in the Balance Sheet

		Year ended 31st March, 2021		Year ended 31st March, 2020	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Present value of defined benefit obligation	4,720	69	4,481	72
2	Fair value of plan assets	999	-	1,391	-
3	Net asset / (liability)	(3,721)	(69)	(3,090)	(72)

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

C Change in the present value of the defined benefit obligation during the year

		Year ended 31st March, 2021		Year ended 31st March, 2020	
		Gratuity	Long term service award	Gratuity	Long term service award
1	**Present value of defined benefit obligation at the beginning of the year**	4,481	72	2,976	68
2	Current service cost /plan amendments	269	3	178	3
3	Interest cost	282	5	210	5
4	Benefits paid	(533)	(2)	(342)	(2)
5	Remeasurement (gains)/losses	221	(9)	1,459	(2)
6	Return on plan assets greater/(lesser) than discount rate	-		-	
7	**Present value of defined benefit obligation at the end of the year**	**4,720**	**69**	**4,481**	**72**

D Change in the fair value of plan assets during the year (gratuity)

		As at 31st March, 2021	As at 31st March, 2020
1	Plan assets at the beginning of the year	1,391	1,621
2	Interest income	77	109
3	Contribution by employer	62	9
4	Actual benefits paid	(533)	(342)
5	Return on plan assets greater/(lesser) than discount rate	2	(6)
6	**Plan assets at the end of the year**	**999**	**1,391**

E In 2021-22, the Company expects to contribute Rs. 3,721 lakhs to gratuity fund.

F The major categories of plan assets as a percentage of the fair value of total plan assets

	As at 31st March, 2021	As at 31st March, 2020
Investments with insurer	97%	97%
Cash and cash equivalent	3%	3%
Total	**100%**	**100%**

G Actuarial assumptions

		Year ended 31st March, 2021		Year ended 31st March, 2020	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Discount rate	6.70%	6.70%	6.70%	6.70%
2	Expected rate of return on plan assets	6.70%	NA	6.70%	NA
3	Mortality pre retirement	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008
4	Mortality post retirement	LIC(1996-98) Ultimate	NA	LIC(1996-98) Ultimate	NA
5	Withdrawal rate	1%	1%	1%	1%
6	Rate of salary increases	6%	6%	6%	6%

H The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

I Maturity profile of the defined benefit obligation (undiscounted amount)

	Gratuity		Long term service award	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Expected benefit payments for the year ending				
Not later than 1 year (next annual reporting period)	306	222	3	4
Later than 1 year and not later than 5 years	1,476	1,438	28	30
Later than 5 year and not later than 10 years	3,268	2,891	46	45
More than 10 years	13,308	12,582	13	13
Total expected payments	**18,358**	**17,133**	**90**	**92**
Weighted average duration of defined benefit obligation	**8**	**9**	**7**	**7**

J Sensitivity analysis

The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Increase/ (decrease) in defined benefit obligation	Year ended 31st March, 2021		Year ended 31st March, 2020	
	Gratuity	Long term service award	Gratuity	Long term service award
Discount rate				
Increase by 1%	(351)	(4)	(350)	(5)
Decrease by 1%	401	5	401	5

Expected rate of increase in compensation level of covered employees	Year ended 31st March, 2021		Year ended 31st March, 2020	
	Gratuity	Long term service award	Gratuity	Long term service award
Increase by 1%	395	*	396	*
Decrease by 1%	(353)	*	(353)	*

* Amount is below the rounding off norm adopted by the Company.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the project unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

K Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

(i) **Interest risk**

A decrease in the interest rate on plan assets will increase the plan liability.

(ii) **Longevity risk/Life expectancy**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

(iii) **Salary growth risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(iv) Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

III Provident Fund

Provident Fund contributions in respect of employees are made to Trusts administered by the Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the guidance on implementing Indian Accounting Standard 19 on Employee Benefits, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the balance sheet date using projected unit credit method and deterministic approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the period, the Company's contribution Rs. 333 lakhs (31st March, 2020: Rs. 356 lakhs) to the Provident Fund Trust, has been expensed under "Contribution to provident and other funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.70%	6.70%
Withdrawal rate	1.00%	1.00%
Expected rate of increase in compensation level of covered employees	6.00%	6.00%
In service mortality	IALM (2006-08)	IALM (2006-08)
Post retirement mortality	LIC(1996-98) Ultimate	LIC(1996-98) Ultimate
EPFO Return	8.50%	8.50%

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

32. RELATED PARTY DISCLOSURES

(i) Related parties

(A) Where control relationships exists

Subsidiaries	Usha Martin International Limited (UMIL)
	Usha Martin UK Limited (UMUK)@
	European Management and Marine Corporation Limited (EMMC)@
	Brunton Shaw UK Limited (BSUK)@
	De Ruiter Staalkabel B.V. (De Ruiter)@
	Usha Martin Europe B.V. (UMEBV)@
	Usha Martin Italia S.R.L (UMISRL)@
	Usha Martin Singapore Pte. Limited (UMSPL)
	Usha Martin Vietnam Co. Limited (UMVCL)@
	Usha Martin Australia Pty Limited (UMAUS)@
	P. T. Usha Martin Indonesia (PTUMI)@
	Usha Martin China Company Limited (UMCCL)@
	Usha Martin Americas Inc. (UMAI)
	Usha Siam Steel Industries Public Company Limited (USSIL)
	Brunton Wire Ropes FZCO. (BWR) [formerly known as Brunton Wolf Wire Ropes FZCO. (BWWR)]
	U M Cables Limited (UMCL)
	Usha Martin Power and Resources Limited (UMPRL)
	Bharat Minex Private Limited (BMPL)
	Gustav Wolf Speciality Cords Limited (GWSCL)
Other Related Parties with whom the Company had transactions	
(a) Joint ventures	Pengg Usha Martin Wires Private Limited (PUMWPL)
	CCL Usha Martin Stressing Systems Limited (CCLUMSSL)
	Tesac Usha Wirerope Company Limited (TUWCL)*
(b) Substantial interest in the voting power of the entity	UMI Special Steel Limited (UMISSL) (under liquidation)
(c) Key managerial personnel	Mr. Mukesh Rambihari Rohatgi, Chairman
	Mr. Brij K Jhawar, Director (till 23rd September, 2020)
	Mr. Prashant Jhawar, Director (till 13th September, 2019)
	Mr. Salil Singhal, Director (till 30th July, 2019)
	Mr. Jitender Balakrishnan, Director (till 30th July, 2019)
	Mr. P.S.Bhattacharyya, Director (till 30th July, 2019)
	Mr. Venkatachalam Ramakrishna Iyer, Director
	Mr. Vijay Singh Bapna, Director
	Mrs. Ramni Nirula, Director
	Mr. Rajeev Jhawar, Managing Director
	Mr. P.K.Jain, Joint Managing Director (Wire and Wire Rope Business) (till 17th May, 2020)
	Mr. Dhrub Jyoti Basu, Wholetime Director (appointed w.e.f 6th June, 2020)
	Mr. Devadip Bhowmik, Wholetime Director (appointed w.e.f 15th March, 2021)
	Mr. Rohit Nanda, Chief Financial Officer (till 9th April, 2019)
	Mrs. Shampa Ghosh Ray, Company Secretary
	Mr. Anirban Sanyal, Chief Financial Officer (w.e.f 10th April, 2019)
(d) Others	Usha Martin Employees Provident Fund Trust

@ Represents step-down subsidiaries

* Represents step-down joint venture

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(ii) Particulars of transactions

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial period:

Name and relationship	Period	Transactions during the period												
		Sale of products and services	Purchase of goods	Dividend received	Interest expenses/ (income) (net)	Key management personnel's' remuneration#	Brokerage and discount on sale of products	Reimbursement/ (recoveries) of expenses (net)	Receiving/ (recoveries) of management and other services	Directors' sitting fees	Repayment of loans/ advances taken	Loans/ advances given	(Receipt) of loans/ advances given	Contribution to employees provident fund trust
Subsidiary companies														
UMIL	**31st March, 2021**	-	-	-	-	-	-	-	**257**	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	202	-	-	-	-	-
UMAI	**31st March, 2021**	**4,132**	-	-	-	-	-	-	**(5)**	-	-	-	-	-
	31st March, 2020	3,050	-	-	-	-	-	-	(8)	-	-	-	-	-
UMUK	**31st March, 2021**	**8,573**	-	-	-	-	-	**(63)**	-	-	-	-	-	-
	31st March, 2020	7,362	9	-	-	-	12	-	-	-	-	-	-	-
UMVCL	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	980	-	-	-	-	2	-	-	-	-	-	-	-
UMAUS	**31st March, 2021**	**1,093**	-	-	-	-	-	**15**	-	-	-	-	-	-
	31st March, 2020	1,018	-	-	-	-	-	-	-	-	-	-	-	-
BMPL	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
PTUMI	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
USSIL	**31st March, 2021**	**2,114**	-	-	**(62)**	-	-	-	**(66)**	-	-	-	-	-
	31st March, 2020	2,052	-	-	(70)	-	-	-	(101)	-	-	-	-	-
UMSPL	**31st March, 2021**	**5,657**	-	-	-	-	-	**98**	**(19)**	-	-	-	-	-
	31st March, 2020	4,835	-	-	-	-	-	-	(24)	-	-	-	-	-
BWR	**31st March, 2021**	**8,849**	**31**	-	-	-	-	-	**14**	-	-	-	-	-
	31st March, 2020	10,351	-	-	-	-	-	(7)	11	-	-	-	-	-
UMCL	**31st March, 2021**	**19**	-	-	**(88)**	-	-	**(14)**	**(23)**	-	-	**868**	**(753)**	-
	31st March, 2020	5	-	-	21	-	-	254	24	-	5,398	620	(70)	-
GWSCL	**31st March, 2021**	**1,427**	-	-	-	-	**10**	-	-	-	-	-	-	-
	31st March, 2020	1,207	-	-	8	-	-	-	-	-	150	-	-	-
Total	**31st March, 2021**	**31,864**	**31**	-	**(150)**	-	**10**	**36**	**158**	-	-	**868**	**(753)**	-
	31st March, 2020	30,860	9	-	(41)	-	14	247	104	-	5,548	620	(70)	-
Joint venture														
PUMWPL	**31st March, 2021**	**479**	-	**120**	-	-	-	**(44)**	-	-	-	-	-	-
	31st March, 2020	528	-	160	-	-	-	(19)	-	-	-	-	-	-
Total	**31st March, 2021**	**479**	-	**120**	-	-	-	**(44)**	-	-	-	-	-	-
	31st March, 2020	528	-	160	-	-	-	(19)	-	-	-	-	-	-

Name and relationship	Period	Transactions during the period: Sale of products and services	Purchase of goods	Dividend received	Interest expenses/ (income) (net)	Key management personnel's' remuneration#	Brokerage and discount on sale of products	Reimbursement/ (recoveries) of expenses (net)	Receiving/ (recoveries) of management and other services	Directors' sitting fees	Repayment of loans/ advances taken	Loans/ advances given	(Receipt) of loans/ advances given	Contribution to employees provident fund trust
Key managerial personnel														
Mr. Rajeev Jhawar	**31st March, 2021**	-	-	-	-	123	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	149	-	-	-	-	-	-	-	-
Mr. Brij K Jhawar	**31st March, 2021**	-	-	-	-	-	-	-	-	1	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	3	-	-	-	-
Mr. P. K. Jain	**31st March, 2021**	-	-	-	-	15	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	140	-	-	-	-	-	-	-	-
Mrs. Ramni Nirula	**31st March, 2021**	-	-	-	-	-	-	-	-	4	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	5	-	-	-	-
Mr. Vijay Singh Bapna	**31st March, 2021**	-	-	-	-	-	-	-	-	5	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	4	-	-	-	-
Mr. Devadip Bhowmik##	**31st March, 2021**	-	-	-	-	4	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Dhrub Jyoti Basu##	**31st March, 2021**	-	-	-	-	48	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Anirban Sanyal##	**31st March, 2021**	-	-	-	-	79	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	86	-	-	-	-	-	-	-	-
Mr. Rohit Nanda	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	45	-	-	-	-	-	-	-	-
Ms. Shampa Ghosh Ray	**31st March, 2021**	-	-	-	-	50	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	56	-	-	-	-	-	-	-	-
Mr. Prashant Jhawar	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	1	-	-	-	-
Mr. Jitender Balakrishnan	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	5	-	-	-	-
Mr. Salil Singhal	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	5	-	-	-	-
Mr. P.S. Bhattacharya	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	4	-	-	-	-
Mr. Venkatachalam Ramakrishna Iyer	**31st March, 2021**	-	-	-	-	-	-	-	-	3	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	4	-	-	-	-
Mr. Mukesh Rambihari Rohatgi	**31st March, 2021**	-	-	-	-	-	-	-	-	8	-	-	-	-
	31st March, 2020	-	-	-	-	-	-	-	-	7	-	-	-	-
Total	**31st March, 2021**	-	-	-	-	319	-	-	-	21	-	-	-	-
	31st March, 2020	-	-	-	-	476	-	-	-	38	-	-	-	-
Others Usha Martin Employees Provident Fund Trust	**31st March, 2021**	-	-	-	-	-	-	-	-	-	-	-	-	333
	31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-	356
Grand Total	**31st March, 2021**	32,343	31	120	(150)	319	10	(8)	158	21	-	868	(753)	333
	31st March, 2020	31,388	9	160	(41)	476	14	228	104	38	5,548	620	(70)	356

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(iia) Remuneration to key management personnel:

Particulars	Period	Mr. Rajeev Jhawar	Mr. P. K. Jain	Mr. Anirban Sanyal	Mr. Rohit Nanda	Ms. Shampa Ghosh Ray	Mr.Devadip Bhowmik	Mr. Dhrub Jyoti Basu
Salary, bonus and perquisites	**31st March, 2021**	**105**	**15**	**75**	**-**	**48**	**4**	**41**
	31st March, 2020	130	140	82	45	54	-	-
Contribution to provident and other funds	**31st March, 2021**	**18**	**-**	**4**	**-**	**2**	*****	**7**
	31st March, 2020	19	-	4	-	2	-	-

#Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. As the future liability for gratuity and leave is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

##Amount in the capacity of key managerial personnel disclosed.

*Amount is below the rounding off norm adopted by the Company.

(iii) Balance outstanding at the year end 31st March, 2021

Name and relationship	Period	Balance outstanding at the year end: Corporate / other guarantees given	Trade receivables	Trade payables/ other financial liabilities / other current liabilities	Loans given (long-term / short-term) / advances given)	Other financial assets	Accrued interest on loan to subsidiaries (other financial assets)	Investments in equity shares	Company's contribution to related party trust
Substantial interest in voting power of the Company									
UMISSL	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	*****	**-**
	31st March, 2020	-	-	-	-	-	-	*	-
Total	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	*****	**-**
	31st March, 2020	-	-	-	-	-	-	*	-
Subsidiary companies									
UMIL	**31st March, 2021**	**-**	**-**	**135**	**-**	**33**	**-**	**6,181**	**-**
	31st March, 2020	-	-	65	-	16	-	6,181	-
UMAI	**31st March, 2021**	**-**	**2,054**	**11**	**-**	**4**	**-**	**1,660**	**-**
	31st March, 2020	-	940	12	-	88	-	1,660	-
UMUK	**31st March, 2021**	**-**	**2,278**	**9**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	1,370	10	-	-	-	-	-
UMVCL	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	404	-	-	-	-	-	-
UMAUS	**31st March, 2021**	**-**	**320**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	374	-	-	-	-	-	-
UMPRL	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	**4**	**-**
	31st March, 2020	-	-	-	-	-	-	4	-
BMPL	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	36	-	-	-	-	-
USSIL	**31st March, 2021**	**2,011**	**198**	**1**	**1,170**	**296**	**15**	**2,620**	**-**
	31st March, 2020	1,938	253	128	1,153	604	37	2,620	-

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Name and relationship	Period	Balance outstanding at the year end							
		Corporate / other guarantees given	Trade receivables	Trade payables/ other financial liabilities / other current liabilities	Loans given (long-term / short-term) / advances given)	Other financial assets	Accrued interest on loan to subsidiaries (other financial assets)	Investments in equity shares	Company's contribution to related party trust
UMSPL	**31st March, 2021**	**-**	**3,345**	**17**	**-**	**6**	**-**	**268**	**-**
	31st March, 2020	-	3,920	-	-	98	-	268	-
BWR	**31st March, 2021**	**1,572**	**2,973**	**47**	**-**	**2**	**-**	**1,777**	**-**
	31st March, 2020	2,314	2,230	73	-	7	-	1,777	-
UMCL	**31st March, 2021**	**-**	**-**	**-**	**665**	**12**	**-**	**1,271**	**-**
	31st March, 2020	-	6	-	550	78	14	1,271	-
GWSCL	**31st March, 2021**	**-**	**61**	**105**	**-**	**-**	**-**	**168**	**-**
	31st March, 2020	-	461	103	-	-	-	168	-
Total	**31st March, 2021**	**3,583**	**11,229**	**325**	**1,835**	**353**	**15**	**13,949**	**-**
	31st March, 2020	4,252	9,958	427	1,703	891	51	13,949	-
Joint ventures									
PUMWPL	**31st March, 2021**	**2,934**	**49**	**3**	**-**	**-**	**-**	**1,080**	**-**
	31st March, 2020	2,986	58	-	-	-	-	1,080	-
CCLUMSSL	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	**31**	**-**
	31st March, 2020	-	-	-	-	-	-	31	-
Total	**31st March, 2021**	**2,934**	**49**	**3**	**-**	**-**	**-**	**1,111**	**-**
	31st March, 2020	2,986	58	-	-	-	-	1,111	-
Key managerial personnel									
Mr. Rajeev Jhawar	**31st March, 2021**	**22,914**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	29,075	-	-	-	-	-	-	-
Total	**31st March, 2021**	**22,914**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	29,075	-	-	-	-	-	-	-
Others	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**112**
Usha Martin Employees Provident Fund Trust	31st March, 2020	-	-	-	-	-	-	-	118
Grand Total	**31st March, 2021**	**29,431**	**11,278**	**328**	**1,835**	**353**	**15**	**15,060**	**112**
	31st March, 2020	36,313	10,016	427	1,703	891	51	15,060	118

* Amount is below the rounding off norm adopted by the Company.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31st March, 2021 and 31st March, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Company routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

33. SEGMENT INFORMATION

Based on evaluation of the Company's business performance by the Chief Operating Decision Maker (CODM), the Company's businesses are organised in the following reportable segments:

- The wire and wire ropes segment which manufactures and sells steel wires, strands, wire ropes, cord, related accessories, etc.
- Discontinued operations mentioned below represents steel segment which used to manufacture and sell steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products.
- Others include manufacturing and selling of wire drawing and allied machines.

The Company's financing (including finance costs and finance income) and income taxes are managed on a Company level and are not allocated to operating segments.

The CODM monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment.

The following table presents revenue and profit information and certain asset information regarding the Company's business segments as at and for the year ended 31st March, 2021 and 31st March, 2020.

I. Business segment analysis

Particulars	Business segments		Total
	Wire and wire ropes (continuing operations)	Others (continuing operations)	
SEGMENT REVENUE			
External revenue	**1,34,327**	**233**	**1,34,560**
	1,39,092	170	1,39,262
Segment results	**21,210**	**(751)**	**20,459**
	19,959	(431)	19,528
Depreciation and amortisation	**2,737**	**229**	**2,966**
	2,620	70	2,690
Unallocated			**98**
			87
Total depreciation and amortisation			**3,064**
			2,777
Total assets-segments	**1,09,598**	**3,591**	**1,13,189**
	1,04,856	3,370	1,08,226
Total assets-unallocated			**34,322**
			39,110
Total assets			**1,47,511**
			1,47,336
Total liabilities-segments	**33,468**	**885**	**34,353**
	31,918	832	32,750
Total liabilities-unallocated			**41,722**
			53,046
Total liabilities			**76,075**
			85,796

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	Business segments		Total
	Wire and wire ropes (continuing operations)	Others (continuing operations)	
Reconciliations to amounts reflected in the financial statements			
Reconciliation of profit /(loss)			
Segment profit	**21,210**	**(751)**	**20,459**
	19,959	(431)	19,528
Less: Finance costs			**4,452**
			5,807
Less: Other unallocable income (net of unallocable expenditure)			**2,971**
			2,250
Profit before tax for the period from continuing operations			**13,036**
			11,471
Loss for the period from Discontinued operations before tax and finance costs			**(444)**
			(5,504)
Less: Finance costs			**-**
			2,004
Loss for the period before tax from Discontinued operations			**(444)**
			(7,508)
Profit/(loss) on disposal of SBB Business (discontinued operations)			**-**
			55,652
Total Profit / (loss) before tax from discontinued operations			**(444)**
			48,144
Total Profit before tax			**12,592**
			59,615

Note: Figures in bold relate to 31st March, 2021 and normal type relate to 31st March, 2020

Geographical segment analysis

The revenue information below is based on the locations of the customers. The following table provides an analysis of Company's sales by region in which the customer is located, irrespective of the origin of the goods.

Revenue by geographical segment	Year ended 31st March, 2021	Year ended 31st March, 2020
India	98,988	1,00,091
Outside India	35,572	39,171
Total revenue from operations as per Statement of Profit and Loss	**1,34,560**	**1,39,262**

Details of non-current assets (property, plant and equipment, capital work-in-progress, other intangible assets, intangible assets under development and right-of-use assets) based on geographical area is as below:

	As at 31st March, 2021	As at 31st March, 2020
India	42,101	43,529

Segment capital expenditure

	Year ended 31st March, 2021	Year ended 31st March, 2020
India	1,528	3,028

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

34 A. FAIR VALUE HIERARCHY

The following table provides the fair value hierarchy of the Company's assets and liabilities:

a) Financial instruments by category

	As at 31st March, 2021				As at 31st March, 2020			
	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value
Financial assets								
Investments	5	15,060	15,065	15,065	5	15,060	15,065	15,065
Trade receivables	-	21,718	21,718	21,718	-	18,197	18,197	18,197
Cash and cash equivalents	-	385	385	385	-	477	477	477
Other bank balances	-	541	541	541	-	246	246	246
Loans	-	1,962	1,962	1,962	-	1,848	1,848	1,848
Other financial assets including derivatives	80	20,149	20,229	20,229	-	21,213	21,213	21,213
Total financial assets	**85**	**59,815**	**59,900**	**59,900**	**5**	**57,041**	**57,046**	**57,046**
Financial liabilities								
Borrowings (including current maturities)	-	29,223	29,223	29,223	-	34,886	34,886	34,886
Lease liabilities	-	35	35	35	-	29	29	29
Trade payables	-	23,996	23,996	23,996	-	26,602	26,602	26,602
Derivatives	-	-	-	-	397	-	397	397
Other financial liabilities	-	6,694	6,694	6,694	-	6,901	6,901	6,901
Total financial liabilities	**-**	**59,948**	**59,948**	**59,948**	**397**	**68,418**	**68,815**	**68,815**

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at 31st March, 2021, the mark-to-market value of other derivative assets / liabilities positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

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

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit and loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard.

(b) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities

Financial assets and liabilities measured at fair value as at 31st March, 2021

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Financial liabilities				
Derivative financial liabilities at fair value	-	80	-	80

Financial assets and liabilities measured at fair value as at 31st March, 2020

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Derivative financial assets at fair value	-	397	-	397

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Notes:

The Company uses the following hierarchy for determining and / or disclosing the fair value of financial instruments by valuation techniques:

Level 1 hierarchy includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

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

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

There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

34 B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management and governance framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to credit risk, liquidity risk and market risk which are measured, monitored and managed to abide by the principles of risk management.

(a) Credit risk

Credit risk refers to the risk of financial loss that may arise from counterparty failure on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company controls its own exposure to credit risk. All external customers undergo a creditworthiness check. The Company performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Company does not perceive any significant credit risk on trade receivables. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

In addition, as part of its cash management and credit risk function, the Company regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Company primarily has banking relationships with the public sector, private and large international banks with good credit rating.

Trade Receivable aggregating Rs. 6,318 lakhs (31st March, 2020: Rs. Nil) from two customers, each contributes to more than 10% of outstanding trade receivables as at 31st March, 2021.

The maximum exposure to the credit risk at the reporting date is the carrying value of all financial assets amounting to Rs. 59,900 lakhs (31st March, 2020: Rs. 57,046 lakhs) as disclosed in note 34A(a).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Movement in the allowance for credit impaired trade receivables is given in Note 9 (i).

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Of the year end trade receivables, the following were past due but not impaired as at 31st March, 2021 and 31st March, 2020:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Neither impaired nor past due	19,315	11,302
Past due but not impaired		
Due less than one month	1,717	3,631
Due between one - three months	385	2,733
Due between three - twelve months	264	323
Due greater than twelve months	37	208
Total	**21,718**	**18,197**

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations arise when a number of counterparties are engaged in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(b) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company has liquidity risk monitoring processes covering short-term, mid-term and long-term funding. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of committed credit facilities and loan funds. Management regularly monitors projected and actual cash flow data, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures coupled with rolling cash flow forecasts.

The contractual maturities of the Company's financial liabilities are presented below:-

31st March, 2021	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings*	12,791	12,763	9,422	-	34,976
Trade payables	23,996	-	-	-	23,996
Other financial liabilities	6,694	-	-	-	6,694
Lease liabilities	14	4	7	10	35
Derivative financial liabilities	-	-	-	-	-
Total	**43,495**	**12,767**	**9,429**	**10**	**65,701**

31st March, 2020	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings*	12,661	15,898	14,928	-	43,487
Trade payables	26,602	-	-	-	26,602
Other financial liabilities	6,901	-	-	-	6,901
Lease liabilities	3	5	9	12	29
Derivative financial liabilities	397	-	-	-	397
Total	**46,564**	**15,903**	**14,937**	**12**	**77,416**

* Includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest obligations.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The amount of guarantees given on behalf of subsidiaries included in note 30B (iii) represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement.

(c) 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. The Company is exposed to different types of market risks. The market risk is the possibility that changes in foreign currency exchange rates, interest rates and commodity prices may affect the value of the Company's financial assets, liabilities or expected future cash flows.

The fair value information presented below is based on the information available with the management as of the reporting date.

(c.1) Foreign currency exchange 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. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

A reasonably possible strengthening/weakening of the Indian Rupee against such foreign currency (converted to US Dollars) as at 31st March, 2021 and 31st March, 2020 would have affected profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

	Changes in USD rate	Unhedged foreign currency receivables / (payables) (net)	Effect on profit / (loss) before tax	Impact on equity
31st March, 2021	**10%**	**6,314**	**631**	**631**
	-10%	**-**	**(631)**	**(631)**
31st March, 2020	10%	12,304	1,230	1,230
	-10%	-	(1,230)	(1,230)

Derivative financial instruments

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining maturity period.

	As at 31st March, 2021	As at 31st March, 2020
Less than 1 year		
Forward contract to cover both present and future foreign currency exposures:		
Export receivables	**6,265**	11,029

(c.2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate risk 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. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The exposure of the Company's financial assets and financial liabilities as at 31st March, 2021 and 31st March, 2020 to interest rate risk is as follows:

Financial assets	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
31st March, 2021	**59,900**	**-**	**3,867**	**56,033**
31st March, 2020	57,046	-	3,966	53,080

Financial liabilities	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
31st March, 2021	**59,948**	**38,763**	**35**	**21,150**
31st March, 2020	68,815	44,278	222	24,315

If the interest rates applicable to floating rate instruments is increased/decreased by 1%, the profit before tax for the year ended 31st March, 2021 (and corresponding impact on equity) would decrease/(increase) by Rs. 388 lakhs (31st March, 2020: Rs. 443 lakhs) on an annualised basis. This assumes that the amount and mix of fixed and floating rate debt remains unchanged during the year from that in place as at year end.

(c.3) Commodity price risk

The Company's revenue is exposed to the risk of price fluctuations related to the sale of its wire & wire products. Market forces generally determine prices for such products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of wire & wire products.

The Company primarily purchases its raw materials in the open active market from third parties. The Company is therefore subject to fluctuations in prices of wire rods, zinc, lead, lubricants, core and other raw material inputs. The Company purchased substantially all of coal requirements from third parties in the open market during the year ended 31st March, 2021 and 31st March, 2020 respectively.

The Company does not have any commodity forward contract for commodity hedging.

The following table details the Company's sensitivity to a 5% movement in the input price of wire rod and zinc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% increase in commodity prices, there would be a comparable impact on profit or equity, and the balances below are negative.

Impact for a 5% change on the Statement of Profit and Loss and equity

Particulars	Increase	Decrease
31st March, 2021		
Wire rod	**(3,202)**	**3,202**
Zinc	**(177)**	**177**
31st March, 2020		
Wire rod	(3,077)	3,077
Zinc	(179)	179

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

34C. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury risks. Treasury derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies. The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities. The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

34D. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes equity share capital and other equity. The Company's primary capital management objectives are to optimise the cost of capital in order to enhance value to shareholders.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company may pay dividend or repay debts, raise new debt or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021 and 31st March, 2020 respectively. The Company includes within net debt, total borrowings less total cash as follows:

The following table summarises the capital of the Company -

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents [refer note 9 (ii)]	385	477
Other bank balances [refer note 9 (iii)]	541	246
Total cash (a)	**926**	**723**
Non - current borrowings [refer note 13(i)]	18,629	25,073
Current borrowings [refer note 16 (i)]	5,044	6,576
Current maturities of long-term borrowings [refer note 16 (iv)]	5,550	3,237
Total borrowings (b)	**29,223**	**34,886**
Net debt (c = b-a)	**28,297**	**34,163**
Total equity	71,436	61,540
Total capital (equity + net debt) (d)	**99,733**	**95,703**
Gearing ratio (c/d)	**28%**	**36%**

35(i) (a). The Company was allocated two coal blocks namely, Kathautia Coal Block and Lohari Coal Block in the State of Jharkhand for captive use. Pursuant to the Hon'ble Supreme Courts' order dated 24th September, 2014 followed by promulgation of the Coal Mines (Special Provisions) Act, 2015, (CMSP Act), the allocation of all coal blocks since 1993, including the aforesaid coal blocks allocated to the Company were cancelled with effect from 24th September, 2014 in case of Lohari Coal Block and 1st April, 2015 in the case of Kathautia Coal Block.

Through the process of public auction as envisaged in the CMSP Act, the aforesaid Coal Blocks of the Company had been allocated to other successful bidders by the Central Government. Pursuant to conclusion of such auction, the Central Government had also issued vesting orders for Kathautia and Lohari Coal Blocks for transfer and vesting the Company's rights, title and interest in and over the land and mine infrastructure of the said coal blocks to the respective successful bidders.

At the year-end, the Company is carrying an aggregate amount of Rs. 1,314 lakhs (net of provision/impairment charge of Rs. 3,704 lakhs including Rs. 44 lakhs during the year) as assets held for sale/ advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. as follows:

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
Assets held for sale#	1,131	1,131
Advances against land-coal mines under other non-current assets##	-	-
Advances against land-coal mines under other financial assets ###	183	227
Total	**1,314**	**1,358**

Net of impairment Rs. 809 lakhs (31st March, 2020: Rs. 809 lakhs)
Net of impairment Rs. 2,851 lakhs (31st March, 2020: Rs. 2,851 lakhs)
Considered as non-current in current year [net of discounting of Rs. 44 lakhs (31st March, 2020: Rs. Nil)]

During the year ended 31st March, 2020, the Company had recovered Rs. 10,305 lakhs out of Rs. 10,532 lakhs where the Company had filed an application before Hon'ble Delhi High court in an earlier year and based on developments in the current year, the Company is confident of recovery of balance Rs. 227 lakhs (Rs. 183 lakhs after discounting). Further, the Company is also engaged in ongoing negotiations with the party to whom the aforesaid Coal Blocks were subsequently allotted for realisation of compensation/investments in the mines. Land parcels aggregating Rs. 1,131 lakhs are in the process of being transferred in the name of the Company for which necessary proceedings before a Civil Court are ongoing pending completion due to pandemic. Management expects that such proceedings will be completed before end of next year and the Company will be able to transfer such land parcels to new allocatee for recovery of the agreed consideration. Accordingly, this has been disclosed as "Asset held for sale" as at 31st March, 2021.

After taking into consideration the reasons as stated above, management is of the opinion that the realisable value of aforesaid assets will not be less than their carrying values.

35 (i) (b). The Company and Tata Steel Long Products Limited (TSLPL) have entered into agreements dated 14th December, 2020 for transfer of property, plant & equipment of Wire Mill to TSLPL and transfer of Bright Bar assets to the Company respectively, in respect of which there will be no transfer of any additional consideration. Pending fulfilment of all condition precedents to these agreements, the control over the assets are yet to be exchanged. Consequently, such transfers have not been recognised in these standalone Ind AS financial statements. Accordingly, the written down value of property, plant & equipment of Wire Mill amounting to Rs. 286 lakhs has been disclosed as "Assets held for sale" as at 31st March, 2021.

35(ii). Discontinued operations

Pursuant to the Business Transfer Agreement dated 22nd September, 2018 (Novation agreement on 24th October, 2018) and Supplemental Business Transfer Agreement dated 7th April, 2019 and 3rd July, 2019 respectively with Tata Steel Long Products Limited (TSLPL) [formerly known as Tata Sponge Iron Limited], the Company had transferred its Steel and Bright Bar Business (SBB Business) as a going concern on slump sale basis during the previous year in accordance with the terms and conditions set out in those agreements at a consideration of Rs. 452,500 lakhs subject to net working capital adjustments. Out of the aforesaid consideration, an amount of Rs. 16,000 lakhs are receivable as at the year-end that include Rs. 15,000 lakhs in respect of certain parcels of land for which perpetual lease and license agreements have been executed by the Company in favour of TSLPL pending completion of ongoing formalities for registration in the name of TSLPL. The Company and TSLPL is in the process of final settlement and reconciliation of net working capital and therefore impact of adjustment, if any, arising from such reconciliation which is not expected to be material shall be recognised at the time of release of above hold back amount.

The details of discontinued operations are as follows:

Particulars	Year ended 31st March, 2020
Consideration from TSLPL (net of acceptances Rs. 98,013 lakhs paid by TSLPL directly) [A]	3,08,286
Book value of fixed assets sold [B]	3,71,461
Net book value of non-current liabilities (net of other non-current assets) transferred [C]	1,534
Net book value of current liabilities (net of current assets) transferred [D]	1,34,396
Expenses pertaining to the disposal of the business [E]	17,103
Profit on disposal of SBB Business (discontinued operation) [F]=[A-B+C+D-E]	**55,652**

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(I) The results of SBB for the year are presented below:

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income		
Revenue from operations	-	6,523
Other income@	3,222	2,250
Total income	**3,222**	**8,773**
Expenses		
Cost of materials consumed	-	2,135
Changes in inventories of finished goods, work-in-progress and scrap/by-product	-	2,890
Employee benefits expense	-	786
Finance costs	-	2,004
Depreciation and amortisation expense	-	572
Other expenses#	3,666	7,894
Total expenses	**3,666**	**16,281**
Profit /(loss) for the year from discontinued operations before profit on disposal of SBB Business	**(444)**	(7,508)
Profit on disposal of SBB Business (discontinued operations)		55,652
Profit / (loss) for the year before tax from discontinued operations	**(444)**	**48,144**
Tax expenses of discontinued operations	-	-
Profit / (loss) for the year from discontinued operations	**(444)**	**48,144**

@Primarily includes liabilities / provisions no longer required written back pertaining to discontinued business

Primarily includes expenses incurred during the period/year in connection with recovery of dues / settlement of obligations pertaining to the assets / liabilities of the discontinued business and transfer of remaining assets to TSLPL, as mentioned above.

Management has not considered it necessary to separately disclose assets and liabilities of the erstwhile SBB business.

For disclosure on earnings per share from discontinued operations, refer note 28.

36A.DISCLOSURES PURSUANT TO THE REGULATION 34(3) READ WITH PARA A OF SCHEDULE V TO SEBI LISTING REGULATIONS, 2015

I. Loans and advances in the nature of loans to subsidiaries

		As at 31st March, 2021	As at 31st March, 2020
	Loans to subsidiaries:		
(a)	**Usha Siam Steel Industries Public Company Limited**		
	Balance as at the year end *	1,170	1,153
	Maximum amount outstanding at any time during the year	1,222	1,199
(b)	**UM Cables Limited**		
	Balance as at the year end	665	550
	Maximum amount outstanding at any time during the year	1,265	550

The aforesaid loanees have not made any investments in the shares of the Company.
All the above loans and advances have been given for business purposes.
Loan amount above does not include interest receivable.

* No repayment schedule, fall under the category of non-current and are re-payable after more than 1 year

II. As per the Company's policy, loan to employees are not considered in (I) above.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

36B.DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

Loans given and investments made are given under the respective heads.

Corporate guarantees given by the Company in respect of loans are stated in note 32(iii). All the said corporate guarantees have been given for business purpose.

37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006 (MSMED)

	As at 31st March, 2021	As at 31st March, 20200
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
i) Principal amount due to micro and small enterprise	217	302
ii) Interest due on above	-	2
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	1
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	5	5
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

The above particulars, as applicable, have been given in respect of MSMEs to the extent they could be identified on the basis of information available with the Company.

38. GROUP INFORMATION

The Company has following subsidiaries and joint ventures for which the Company prepares Consolidated Financial Statements as per Ind AS 110: Consolidated Financial Statements.

	Principal place of business	% of equity interest as on 31st March, 2021	% of equity interest as on 31st March, 2020
Information about subsidiaries			
Domestic:			
UM Cables Limited	India	100%	100%
Usha Martin Power and Resources Limited	India	100%	100%
Bharat Minex Private Limited	India	100%	100%
Gustav Wolf Speciality Cords Limited	India	100%	100%
Overseas:			
Usha Martin International Limited (UMIL)	United Kingdom	100%	100%
Subsidiaries of UMIL			
Usha Martin UK Limited@	United Kingdom	100%	100%
European Management and Marine Corporation Limited@	United Kingdom	100%	100%
Brunton Shaw UK Limited@	United Kingdom	100%	100%
De Ruiter Staalkabel B.V.@	Netherlands	100%	100%
Usha Martin Europe B.V.@	Netherlands	100%	100%
Usha Martin Italia S.R.L.@	Italy	100%	100%
Brunton Wire Ropes FZCO. (BWR) [formerly known as Brunton Wolf Wire Ropes FZCO. (BWWR)] (refer note below)	United Arab Emirates, Dubai	100%	60%

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Principal place of business	% of equity interest as on 31st March, 2021	% of equity interest as on 31st March, 2020
Usha Martin Americas Inc.	United States of America	100%	100%
Usha Siam Steel Industries Public Company Limited	Thailand	98%	98%
Usha Martin Singapore Pte. Limited (UMSPL)	Singapore	100%	100%
Subsidiaries of UMSPL			
Usha Martin Australia Pty Limited@	Australia	100%	100%
Usha Martin Vietnam Company Limited@	Vietnam	100%	100%
PT Usha Martin Indonesia@	Indonesia	100%	100%
Usha Martin China Company Limited@	China	100%	100%
Information about joint ventures			
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wirerope Company Limited*	Thailand	50%	50%

@Represents step-down subsidiary
*Represents step-down joint ventures

The Board of Directors of Brunton Wire Ropes FZCO (BWR), a subsidiary of the Company, in their meeting held on September 8, 2020 had approved the sale of 38 shares of AED 1 lac each by Gustav Wolf GmBH to Usha Martin Americas, a subsidiary of the Company, for an aggregate consideration of USD 18 lacs (Rs. 1,317 lakhs) and buy-back of 38 shares of BWWR from Klas International Limited for an aggregate amount of USD 20 lacs (Rs. 1,455 lakhs). BWR had entered into share purchase and joint venture termination agreement (SPJVTA) and buy-back agreement with aforesaid parties on 15th July, 2020 and 12th August, 2020 respectively. Subsequently, on receipt of necessary regulatory approvals relating to transfer of shares, extinguishment formalities of the shares bought back and fulfilment of conditions precedents to above agreements, the aforesaid sale and buy back has been completed and consequent to which BWR has become a wholly owned subsidiary of the Company.

39. a) The Directorate of Enforcement, Patna ("ED") had issued an order dated 9th August, 2019 under the provisions of Prevention of Money Laundering Act, 2002 (PMLA) to provisionally attach certain parcels of land at Ranchi, State of Jharkhand being used by the Company for its business for a period of 180 days in connection with export and domestic sale of iron ore fines in prior years aggregating. 19,037 lakhs allegedly in contravention of terms of the mining lease granted to the Company for the iron ore mines situated at Ghatkuri, Jharkhand. The Hon'ble High Court of Jharkhand at Ranchi had, vide its order dated 14th February, 2012, held that the Company has the right to sell the iron ore including fines as per the terms of the mining lease which was in place at that point in time. The Company had paid applicable royalty and had made necessary disclosures in its returns and reports submitted to mining authorities. In response to the provisional attachment order, the Company had submitted its reply before the Adjudicating Authority (AA). Subsequently, AA had issued an order by way of which the provisional attachment was confirmed under Section 8(3) of PMLA. Thereafter, the Company filed an appeal before the Appellate Tribunal, New Delhi and successfully obtained a status quo order from the Tribunal on the confirmed attachment order till the next date of hearing which is now fixed on 24th May, 2021. During the year, the ED had filed a complaint before a sessions court in Patna against the Company and one of its officers. Taking cognisance of the said complaint under applicable provisions of the PMLA, the District and Sessions Court cum Special Judge (ED), ('Trial Court') directed that summons be issued to the Company. Subsequent to year end, on petitions being filed by the Company before the Hon'ble High Court of Patna, the said order taking cognisance of the complaint passed by the Trial Court has been set aside for want of proper jurisdiction and ED has been granted the liberty to file a complaint before an appropriate Court having adequate jurisdisction to try this matter. In fact, the Hon'ble High Court of Patna has directed that the entire complaint be returned to the prosecution agency. The ongoing operations of the Company have not been affected by the aforesaid proceedings. Supported by a legal opinion obtained, management believes that the Company has a strong case in its favour on merit and law. Accordingly, no adjustment to these financial statements in this regard have been considered necessary by the management.

NOTES

to the standalone financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

b) On October 2, 2020, Central Bureau of Investigation (CBI) has filed a First Information Report (FIR) against the Company, its Managing Director and certain other Officers under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860 for allegedly trying to influence ongoing CBI investigation pertaining to the above proceedings. The Company strongly refutes the aforesaid allegations made by the CBI. The matter is under investigation and the designated CBI Court has not taken cognisance of the interim charge sheet filed by the CBI due to lack of sanction which is awaited. The Company has been providing information sought by the CBI in this regard. The Company intends to take such legal measures as may be considered necessary based on the outcome of the ongoing investigation. Supported by a legal opinion obtained, management believes that the Company has a strong case in its favour on merit and law.

40. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the audited standalone financial statements, including its assessment of recoverability of the carrying value of property, plant and equipment, investments and deferred tax assets based on internal and external information upto the date of approval of these audited standalone financial statements and current indicators of future economic conditions. Further, management has assessed its liquidity position as on 31st March, 2021 and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of the pandemic may be different from that as estimated as at the date of approval of these standalone financial statements and the management continues to closely monitor any material changes to future economic conditions.

41. The Board of Directors of the Company at its meeting held on 20th May 2021, has approved the scheme of arrangement for capital reduction and reorganisation pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013. The scheme will be given effect to on receipt of requisite approvals.

42. Previous year's figures have been regrouped / rearranged wherever necessary, to conform to current year's presentation.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

INDEPENDENT AUDITOR'S REPORT

To the Members of Usha Martin Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Usha Martin Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures comprising of the consolidated Balance sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31st March, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

a) We draw attention to Note 43(a) regarding attachment of certain parcels of land at Ranchi used by the Company's wire rope business under Prevention of Money Laundering Act, 2002 (PMLA) in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the mining lease granted to the Company for the iron ore mines. Pending final outcome of the appeal filed by the Company before the Appellate Tribunal, PMLA and also the orders of the Hon'ble High Court of Patna setting aside the proceedings against the Company and granting the liberty to Directorate of Enforcement (ED) to file a complaint before an appropriate Court having adequate jurisdiction as mentioned in the said Note, no adjustment to these consolidated Ind AS financial statements in this regard have been considered necessary by the management.

Further, as explained in note 43(b), a First Information Report (FIR) has been filed by Central Bureau of Investigation (CBI) against the Company, its Managing Director and certain Other Officers under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860 for allegedly trying to influence ongoing CBI investigation pertaining to the proceedings mentioned in note 43(a). The matter is currently under investigation and the Company intends to take such legal measures as necessary based on the outcome of the ongoing investigation.

Our opinion is not modified in respect of this matter.

b) We draw attention to Note 44 regarding the financial impact of COVID-19 on the financial statements of Usha Siam Steel Industries Limited, a subsidiary company, on which an Emphasis of Matter has been given by other auditor in their audit report which is as under:

On 11st March 2020, the World Health Organization declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe. The COVID-19 pandemic also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 pandemic since early 2020 has brought significant economic uncertainties in Thailand and markets in which the Company operate. However, the Company is unable to reasonably estimate the financial impact of the COVID-19 on the financial statements for the year ended 31st March, 2021 to be disclosed in the Notes to financial statements as the situation is still evolving and the uncertainty of the outcome of the current events. It is, however, certain that Thailand and worldwide measures against spread of the COVID-19 will have effects on the Company's future revenues and operations. The Company will continuously monitor the impact of COVID-19 on its future financial position and financial

INDEPENDENT AUDITOR'S REPORT

performance. The Company will also be taking appropriate and timely measures to minimize the impact of the COVID-19 pandemic on the Company's future operations.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended 31st March, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2A(d) and Note 24 of the consolidated Ind AS financial statements)	
For the year ended 31st March, 2021, the Group has recognized revenue from operations of Rs. 2,09,728 lakhs. Revenue from contract with customers (hereinafter referred to as 'Revenue') is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group is entitled to in exchange for those goods or services. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. The risk is therefore, that revenue is not recognized in accordance with Ind AS 115 'Revenue from contracts with customers', and accordingly, it was determined to be a key audit matter.	Our audit procedures included the following: • Assessed the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from contracts with customers"). • Obtained an understanding of revenue process including testing the design and operating effectiveness of controls related to revenue recognition. • Performed procedures for a sample of revenue transactions at year end to assess whether they were recognized at the correct period by corroborating terms of sales arrangement and date of revenue recognition to third party support such as bills of lading, lorry receipt etc. • Compared revenue with historical trends and where appropriate, conducted further enquiries and testing to corroborate unusual variances noted. • Assessed disclosures in financial statements in respect of revenue as specified in Ind AS 115
Provisions and Contingencies (as described in Note 2A(n), Note 19 and Note 34B of the consolidated Ind AS financial statements)	
The Group has accrued liabilities of Rs. 3,015 lakhs as shown in Note 19 and disclosed in Note 34B contingent liabilities of Rs. 41,076 lakhs as at 31st March, 2021. Claims and exposures relating to litigation have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the consolidated Ind AS financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed. Accordingly, it has been considered as a key audit matter.	Our audit procedures included the following: • Obtained listing of all disputes pending before various judicial or relevant tax/ regulatory authorities. • Enquired and discussed the above listing with Head of Legal and Heads of relevant Functions to assess the completeness and management position with regard to the probability of unfavorable outcome of disputes and provision recognised towards matter under disputes. • Engaged with our relevant inhouse tax specialists for taxation matters under dispute to assess management's position of outcome of significant cases and provisions recognised. Assessed the objectivity and competence of the in-house and external specialists. • Reviewed opinions obtained by the management from relevant external legal experts to assess management's position of outcome of significant matters under dispute and provisions recognized. • Assessed the relevant disclosures made within the consolidated Ind AS financial statements as per the requirements of relevant accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report and Subsidiary's Performance Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures 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 the 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31st March, 2021 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

(a) We did not audit the financial statements and other financial information, in respect of nineteen subsidiaries, whose financial statements include total assets of Rs. 1,46,219 lakhs as at 31st March, 2021, total revenues of Rs. 1,20,024 lakhs and net cash inflows of Rs. 306 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 459 lakhs for the year ended 31st March, 2021, as considered in the consolidated Ind AS financial statements, in respect of three joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies and its joint ventures, incorporated in India, is disqualified as on 31st March, 2021 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 consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended 31st March, 2021 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated Ind AS financial statements – Refer Note 19 and Note 34B to the consolidated Ind AS financial statements;

ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31st March, 2021;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its joint ventures, incorporated in India during the year ended 31st March, 2021.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Bhaswar Sarkar**
Partner
Membership Number: 055596
UDIN: 21055596AAAABE1875

Place: Kolkata
Date: 20th May, 2021

ANNEXURE 1

to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Usha Martin Limted

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 Ind AS financial statements of Usha Martin Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31st March, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated 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 consolidated 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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, the Group, and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these four subsidiaries and two joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Bhaswar Sarkar**
Partner
Membership Number: 055596
UDIN: 21055596AAAABE1875

Place: Kolkata
Date: 20th May, 2021

CONSOLIDATED BALANCE SHEET

As at 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	81,692	83,931
(b) Capital work-in-progress	3	4,483	3,270
(c) Investment property	4	705	770
(d) Goodwill on consolidation		5,522	5,522
(e) Other intangible assets	5	587	908
(f) Right-of-use assets	6	4,666	4,479
(g) Intangible assets under development	5	40	-
(h) Equity accounted investments	7(i)	4,842	4,360
(i) Financial assets			
(i) Investments	7(ii)	5	5
(ii) Loans	7(iii)	633	711
(iii) Other financial assets	7(iv)	3,303	3,669
(j) Income tax assets (net)	8	5,212	5,791
(k) Deferred tax assets (net)	9	2,890	5,493
(l) Other assets	10	6,614	6,346
Total non-current assets		**1,21,194**	**1,25,255**
Current assets			
(a) Inventories	11	67,169	61,523
(b) Financial assets			
(i) Trade receivables	12(i)	32,753	29,840
(ii) Cash and cash equivalents	12(ii)	9,946	9,732
(iii) Other bank balances	12(iii)	1,941	1,510
(iv) Loans	12(iv)	95	94
(v) Other financial assets	12(v)	18,935	18,679
(c) Other assets	13	7,079	8,353
Total current assets		**1,37,918**	**1,29,731**
Assets held for sale	39(i)	**1,417**	**1,417**
TOTAL		**2,60,529**	**2,56,403**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	3,054	3,054
(b) Other equity	15	1,37,296	1,19,695
Equity attributable to equity shareholders of the parent		**1,40,350**	**1,22,749**
Non-controlling interest		357	3,777
Total Equity		**1,40,707**	**1,26,526**
Non - Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16(i)	23,739	30,518
(ii) Lease liabilities	16(ii)	3,896	3,670
(iii) Other financial liabilities	16(iii)	36	19
(b) Provisions	17	5,780	4,935
(c) Deferred tax liabilities (net)	18	2,287	2,044
(d) Other liabilities	19	3,015	3,132
Total Non-Current Liabilities		**38,753**	**44,318**
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	20(i)	18,557	23,326
(ii) Lease liabilities	20(ii)	425	438
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	20(iii)	243	307
(B) Total outstanding dues of creditors other than micro and small enterprises	20(iii)	35,987	36,022
(iv) Other financial liabilities	20(iv)	15,572	13,759
(b) Provisions	21	933	1,036
(c) Income tax liabilities (net)	22	249	240
(d) Other liabilities	23	9,103	10,431
Total Current Liabilities		**81,069**	**85,559**
Total Liabilities		**1,19,822**	**1,29,877**
TOTAL		**2,60,529**	**2,56,403**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

Place: Kolkata
Date: 20th May, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Notes	Year ended 31st March, 2021	Year ended 31st Mar 20
CONTINUING OPERATIONS			
INCOME			
Revenue from operations	24	2,09,728	2,15,382
Other income	25	3,331	5,335
Total income		**2,13,059**	**2,20,717**
EXPENSES			
Cost of materials consumed	26	1,15,294	1,14,956
Purchase of stock-in-trade		819	801
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap/by-product	27	963	6,734
Employee benefits expense	28	29,801	30,606
Finance costs	29	5,690	7,418
Depreciation and amortisation expense	30	6,787	6,362
Other expenses	31	34,926	39,124
Total expenses		**1,94,280**	**2,06,001**
Profit before tax from continuing business		**18,779**	**14,716**
Tax expenses of continuing operations			
(1) Current tax charge	9	941	860
(2) Adjustment of tax relating to earlier years		(1)	154
(3) Deferred tax charge		2,704	19,959
		3,644	**20,973**
Profit / (loss) before share of profit of joint ventures from continuing operations		**15,135**	**(6,257)**
Share of profit of joint ventures		459	43
Profit after share of profit/(loss) of joint ventures from continuing operations		**15,594**	**(6,214)**
Discontinued operations	39 (ii)		
Profit / (loss) for the year before tax from discontinued operations		**(444)**	**48,322**
Tax expenses of discontinued operations		-	-
Profit / (loss) for the year from discontinued operations		(444)	48,322
Profit for the year (from continuing and discontinued operations) (I)		**15,150**	**42,108**
Other comprehensive income /(loss)			
Items that will not be reclassified to profit or (loss)			
Re-measurements gain/(loss) on defined benefit plans		(394)	(1,562)
Income tax effect on the above		53	374
Items that will be subsequently reclassified to profit or (loss)			
Exchange difference on translation of financial statements of foreign operations		2,231	3,642
Total other comprehensive income/(loss) for the year, net of tax (II)		**1,890**	**2,454**
Total comprehensive income for the year (I+II)		**17,040**	**44,562**
Profit for the year attributable to:			
Equity shareholders of the parent		14,959	41,884
Non-controlling interest		191	224
Other comprehensive income /(loss) attributable to:			
Equity shareholders of the parent		1,898	2,468
Non-controlling interest		(8)	(14)
Total comprehensive income for the year attributable to:			
Equity shareholders of the parent		16,857	44,352
Non-controlling interest		183	210
Basic and diluted earnings per equity share [Nominal value per share Re 1 each (31st March, 2020- Re 1 each)]	32		
(a) From continuing operations - (Rs.)		5.06	(2.11)
(b) From discontinued operations- (Rs.)		(0.15)	15.86
(c) From continuing and discontinued operations (Rs.)		4.91	13.75

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May, 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

		Year ended 31st March, 2021	Year ended 31st March, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax from continuing operations before share of profit of joint ventures from continuing operations	**18,779**	14,716
	Profit /(loss) before tax from discontinued operations	**(444)**	48,322
	Profit for the year (from continuing and discontinued operations)	**18,335**	**63,038**
	Adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expense	**6,787**	6,934
	Gain on disposal of property, plant and equipment [net of loss on disposal of Rs. 2 lakhs (31st March, 2020: Rs. 6 lakhs)]	**(73)**	(1,613)
	Unrealised derivative (gain)/loss [net]	**(447)**	347
	Finance costs	**5,690**	9,244
	Bad Debts /advances written off	**83**	641
	Allowance for credit impaired debts and advances [net of reversal of Rs. 42 lakhs (31st March, 2020: Rs. Nil)]	**989**	847
	Tangible assets/capital work-in-progress written off	**1**	1
	Interest income on financial assets carried at amortised cost	**(369)**	(439)
	Unrealised foreign exchange differences (gain)/loss [net]	**570**	706
	Effect of change in foreign exchange translation	**560**	399
	Liabilities no longer required written back	**(3,806)**	(2,062)
	Discounting of financial assets	**154**	(254)
	Profit on sale of Steel and Bright Bar Business undertaking (discontinued operations)	**-**	(55,652)
	Impairment of non current assets	**-**	2,851
	Operating profit before changes in non-current / current assets and liabilities	**28,474**	**24,988**
	Adjustments for:		
	(Increase) / decrease in inventories	**(5,646)**	579
	(Increase) / decrease in trade receivables	**(4,593)**	1,748
	(Increase) / decrease in loans and advances	**13**	145
	(Increase) / decrease in other financial assets	**(471)**	(1544)
	(Increase) / decrease in other assets	**1,028**	(6,741)
	Increase / (decrease) in trade payables	**1,731**	1,884
	Increase / (decrease) in provisions	**348**	634
	Increase / (decrease) in other financial liabilities	**593**	(1,477)
	Increase / (decrease) in other liabilities	**245**	3,687
	Cash generated from operations	**21,722**	**23,903**
	Direct taxes paid	**(352)**	(2,661)
	Net cash flow from operating activities	**21,370**	**21,242**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and intangible assets	**(3,707)**	(4,056)
	Proceeds from sale of property, plant and equipment, intangible assets and assets held for sale	**90**	3,515
	Proceeds from sale of Steel and Bright Bar business undertaking (discontinued operations)	**-**	2,82,980
	Refund of advance given for acquisition of land	**-**	10,306
	Refund received / (payment) of margin money with banks	**(109)**	1,068
	Interest received	**359**	659
	Investment in bank deposits (with original maturity more than 12 months)	**(78)**	(150)
	Net cash flows from/(used in) investing activities	**(3,445)**	**2,94,322**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	Year ended 31st March, 2021	Year ended 31st March, 2020
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	14,550
Repayment of long term borrowings	(4,622)	(2,51,452)
Repayment of short term borrowings/working capital loan from bank	(5,621)	420
(Repayment of) / proceeds from short term borrowings	852	(61,826)
Interest paid	(5,583)	(12,163)
Dividend to the extent paid by a subsidiary to minority shareholders	(3)	-
Dividend transferred to Investor Education and Protection fund	-	*
Acquisition of non-controlling interest	(1,317)	-
Buyback of shares of non-controlling interest	(1,455)	-
Net cash flows from/(used in) financing activities	**(17,749)**	**(3,10,471)**
D. EFFECT OF FOREIGN EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS	38	(123)
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	**214**	**4,970**
Cash and cash equivalents at the beginning of the year	**9,732**	**4,762**
Cash and cash equivalents at the year end	**9,946**	**9,732**
Reconciliation of cash and cash equivalent as per statement of cash flows		
Balances with banks:		
On current account	9,574	9,230
Deposits with original maturity less than 3 months	269	424
Cash on hand	44	51
Cheques/drafts on hand	59	27
	9,946	**9,732**

* Amount is below the rounding off norm adopted by the Group.

1 The figures in bracket indicate outflows.

2 The above statement of cash flows has been prepared under the indirect method as set out in "Indian Accounting Standard - 7" - Statement of Cash flows.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May, 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

A) EQUITY SHARE CAPITAL (REFER NOTE 14)

Equity shares of Re 1 each issued, subscribed and fully paid-up	Number of shares	Amount
As at 31st March, 2019	**30,47,41,780**	3,054 *
Changes in equity share capital during the year	-	-
As at 31st March, 2020	**30,47,41,780**	**3,054 ***
Changes in equity share capital during the year	-	-
As at 31st March, 2021	**30,47,41,780**	**3,054 ***

* including share forfeited Rs. 7 lakhs (31st March, 2020: Rs. 7 lakhs)

B) OTHER EQUITY (REFER NOTE 15)

	Attributable to the equity holders of the parent									
	Reserves and surplus							Items of other comprehensive income	Total other equity	Non-controlling interest
	Securities premium	Capital reserve	Capital redemption reserve	General reserve	Legal reserve	Retained earnings	Other reserves	Foreign currency translation reserve		
As at 31st March, 2019	**85,584**	**668**	**6,631**	**54,439**	**265**	**(82,258)**	**6,350**	**3,468**	**75,147**	**3,242**
Profit for the year	-	-	-	-	-	41,884	-	-	41,884	224
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	325
Re-measurements (Loss) on defined benefit plans, net of tax	-	-	-	-	-	(1,188)	-	-	(1,188)	(14)
Exchange differences on translation, net of tax	-	-	-	-	-	-	-	3,642	3,642	-
Adjustment	-	-	-	-	-	210	-	-	210	-
As at 31st March, 2020	**85,584**	**668**	**6,631**	**54,439**	**265**	**(41,352)**	**6,350**	**7,110**	**1,19,695**	**3,777**
Profit for the year	-	-	-	-	-	14,959	-	-	14,959	191
Buyback of shares of non-controling interest [refer note 40(a)]		-				308			308	(1828)
Acquisition of non-controling interest [refer note 40(a)]	-	444	-	-	-	-	-	-	444	(1,775)
Re-measurements (Loss) on defined benefit plans, net of tax	-	-	-	-	-	(341)	-	-	(341)	(8)
Exchange differences on translation	-	-	-	-	-	-	-	2,231	2,231	-
As at 31st March, 2021	**85,584**	**1,112**	**6,631**	**54,439**	**265**	**(26,426)**	**6,350**	**9,341**	**1,37,296**	**357**

Refer note 15 for nature and purpose of reserves

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

Place: Kolkata
Date: 20th May, 2021

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar
Managing Director
DIN: 00086164

Dhrub Jyoti Basu
Whole Time Director
DIN: 02498037

Anirban Sanyal
Chief Financial Officer

Shampa Ghosh Ray
Company Secretary
ACS: 16737

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

1. GROUP OVERVIEW

Usha Martin Limited (the 'Company') is a public limited company incorporated and domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company and its subsidiaries and joint ventures (collectively referred as "Group") are principally engaged in the following businesses:

- Wire and Wire ropes – Manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.
- Others – Manufacture and sale of wire drawing and allied machines

The equity shares of the Company are listed on two recognised stock exchanges in India and its GDRs are listed on stock exchange in Luxembourg. The registered office of the Company is located at 2A, Shakespeare Sarani, Kolkata - 700071. The Group caters to both domestic and international markets.

2A. SIGNIFICANT ACCOUNTING POLICIES

a1. Basis of preparation and compliance with Ind AS

(i) These consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standard (Ind AS) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The accounting policies have been applied consistently over the periods presented in the financial statements. The Group has considered possible effect of COVID-19 in preparation of these consolidited Ind AS financial staments (refer note 44).

(ii) These financial statements were approved for issue by the Board of Directors on 20th May, 2021.

(iii) These Ind AS Financial Statements are prepared in Indian Rupee which is the Group's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs, except when otherwise indicated.

a2. Basis of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the results of Usha Martin Limited and all its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit/loss for the financial year and net assets is attributed to the non-controlling interests as shown in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet.

For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Intra-Group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless cost cannot be recovered.

(ii) Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group has joint ventures only.

Joint ventures

The Group accounts for its interest in Joint ventures using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet. Goodwill arising on the acquisition of Joint ventures is included in the carrying value of investments in Joint ventures.

Equity method of accounting

Under the equity method of accounting applicable for Joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee as recognised in the consolidated statement of and the Group's share of other comprehensive income of the investee as recognised in the consolidated statement of other comprehensive income. Dividend received or receivable from Joint ventures is recognised as a reduction in carrying amount of the investment.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

If the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, the Group discontinues recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy below.

a3. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities and advance income taxes paid are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit and loss on disposal.

c. Basis of measurement

Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group is entitled to in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 30-120 days from the shipment or delivery of goods or services as the case may be. The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

discounts to certain customers based on customary business practices.

Goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Interest income

Interest income is included in other income in the Statement of Profit and Loss. For all financial instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the Group's right to receive the payment is established which is generally when shareholders approve the dividend.

e1. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital work-in-progress.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalised if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss, when the asset is derecognised.

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

(i) Capital work-in-progress

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. Assets in the course of construction are capitalised in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

(ii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line method basis over its expected useful life (determined by the management based on technical estimates), as follows:

Particulars	Useful economic life
Buildings*	30-60 years
Plant and equipment**	10-41 years
Electrical installations	10-40 years
Water treatment and supply plant	15-30 years
Office equipment	3-5 years
Furniture and fixtures	5-10 years
Vehicles	8 years

*Roads included under buildings are depreciated considering useful life of 3-10 years

** Stores and spares, with useful life more than one year, included under plant and equipment are depreciated considering useful life of 2-9 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment, electrical installation and water treatment and supply over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such cost. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

e2. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost net of recoverable taxes, trade discount and rebates. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use attributable to the intangible assets. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The Group has intangible assets with finite useful lives.

Computer softwares are amortised on straight-line method at the rates determined based on estimated useful lives which vary from 3 years to 6 years.

Trademarks are amortised on straight-line method at the rates determined based on estimated useful lives of 15 years.

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed to the Statement of Profit and Loss as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Group can demonstrate:

(i) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

(ii) Its intention to complete and its ability and intention to use or sell the asset

(iii) How the asset will generate future economic benefits

(iv) The availability of resources to complete the asset

(v) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit and the expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

f. Investment properties

Investment properties are measured initially at cost, including transaction costs.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of disposal.

The Group depreciates the building over estimated useful lives of 30 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

g. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit /loss from discontinued operations in the Statement of Profit and Loss.

The Group has considered profit / loss from discontinued operations together with profit/loss of continuing operations to determine the Group's total tax liability and disclosed the same as tax expense from continuing operations.

Basis of segregation into discontinued operations are provided in note 33 and additional disclosures in respect of discontinued operations are provided in note 39(ii) to the financial statements.

h1. Foreign currencies

In the financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit and loss are also recognised in OCI or profit and loss, respectively).

For the purposes of the consolidated financial statements, items in the consolidated statements of profit and loss of those operations for which the Indian Rupees is not the functional currency are translated into Indian Rupees at the average rates of exchange during the year. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in the other comprehensive income. On disposal of such entities, the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in profit and loss.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

h2. Government grants

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

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

estimated on the basis of fulfilment of related obligations. Export benefits related to sale of goods are accounted on recognition of export sales.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

j. Borrowing costs

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

k. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

i) **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term (30-99 years).

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l. **Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and packing materials, stores and spares parts and loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Work-in-progress and finished goods: Cost includes cost of direct materials and cost of conversion and a proportion of manufacturing overheads based on the normal operating capacity but excluding

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

borrowing costs. Cost is determined on weighted average basis.

- Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Scrap / by products are valued at net realisable value.

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

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

m. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

n. Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

o. Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

Defined contribution plan

Retirement benefits in form of superannuation is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the superannuation fund. The Group recognizes contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Contribution towards Provident Fund for employees of UM Cables Limited are made to the regulatory authorities. Such provident fund benefit is classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss.

Defined benefit plans – Gratuity, Provident fund and long term service award

Gratuity

The Group has a defined benefit plan (the "Gratuity Plan"). The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group. Presently the Company's gratuity plan is funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the Statement of Profit and Loss.

The liability or asset recognised in the Balance Sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurements, comprising of actuarial gains and losses from changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident fund

Eligible employees (other than employees of UM Cables Limited) of the Group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the 'Usha Martin Employees Provident Fund Trust'. The trust invests in specific designated instruments as prescribed by the Government. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Long term service award

Employees of the Company rendering greater than twenty years of service will receive long service award on all causes of exit as per the Company's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

p. Financial instrument

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

Financial assets

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115: Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

(i) Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

(ii) **Financial assets at fair value through Other Comprehensive Income (FVOCI) with recycling of cumulative gains and losses (debt instruments)**

A 'financial asset' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Statement of Profit and Loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

(iii) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

Dividends on listed equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

(iv) **Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)**

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to Statement of Profit and Loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when the contractual rights to receive cash flows from the financial asset have expired or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial instruments and receivables not held at fair value through profit or loss in accordance with Ind AS 109. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months from the reporting date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (very good and good) by the good credit rating agency and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the good credit rating agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, borrowings (net of directly attributable cost), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit and Loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109: Financial instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109:Financial instruments are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

of such liability are recognised in the Statement of Profit and Loss. The Group has designated forward exchange contracts as at fair value through profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109: Financial instruments and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. The Group does not hold derivative financial instruments for speculation purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and the resulting profit and loss is taken to the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

r. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

s. Cash dividend distributions to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders.

t. Earnings per share

Basic earnings per share is calculated by dividing the net profit and loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss before OCI for the year attributable to equity shareholders and the weighted average number

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "unallocated revenue/expenses/assets/liabilities".

v. Use of estimates and critical accounting judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years. (refer note 33)

2B. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	Freehold land [Refer Note (b) (I) below]	Leasehold land	Buildings [Refer Note (b) (II) below]	Plant and equipment	Electrical installations	Water treatment and supply plant	Office equipment	Furniture and fixtures	Vehicle	Total	Capital work-in-progress
Gross block											
As at 31st March, 2019	**9,268**	**63**	**32,788**	**63,605**	**1,836**	**338**	**687**	**331**	**1,261**	**1,10,177**	**1,338**
Additions/adjustments	-	218	1,153	1,402	35	-	249	37	236	3,330	2,766
Disposals/adjustments	409	281	1,795	281	239	-	37	16	341	3,399	620
Exchange difference on consolidation	265	-	1,123	1,428	(1)	-	20	17	54	2,906	(214)
As at 31st March, 2020	**9,124**	**-**	**33,269**	**66,154**	**1,631**	**338**	**919**	**369**	**1,210**	**1,13,014**	**3,270**
Additions/adjustments	-	-	22	1,755	7	-	148	13	122	2,067	1,583
Disposals/adjustments	3	-	1	48	-	-	63	3	84	202	367
Exchange difference on consolidation	68	-	852	1,160	4	-	55	(3)	25	2,161	(3)
As at 31st March, 2021	**9,189**	**-**	**34,142**	**69,021**	**1,642**	**338**	**1,059**	**376**	**1,273**	**1,17,040**	**4,483**
Accumulated depreciation											
As at 31st March, 2019	**-**	**-**	**4,651**	**18,038**	**274**	**46**	**412**	**179**	**533**	**24,133**	**-**
Charge for the year (refer note 30)	-	-	1,125	3,973	50	11	102	52	207	5,520	-
Disposals / adjustments	-	-	702	127	104	-	31	9	235	1,208	-
Exchange difference on consolidation	-	-	147	468	(3)	-	4	11	11	638	-
As at 31st March, 2020	**-**	**-**	**5,221**	**22,352**	**217**	**57**	**487**	**233**	**516**	**29,083**	**-**
Charge for the year (refer note 30)	-	-	1,250	4,161	77	11	147	40	222	5,908	-
Disposals / adjustments	-	-	*	7	-	-	62	3	68	140	-
Exchange difference on consolidation	-	-	106	337	2	-	41	(3)	14	497	-
As at 31st March, 2021	**-**	**-**	**6,577**	**26,843**	**296**	**68**	**613**	**267**	**684**	**35,348**	**-**
Net block											
As at 31st March, 2021	**9,189**	**-**	**27,565**	**42,178**	**1,346**	**270**	**446**	**109**	**589**	**81,692**	**4,483**
As at 31st March, 2020	9,124	-	28,048	43,802	1,414	281	432	136	694	83,931	3,270

* Amount is below rounding off norm adopted by the Company

a) For lien/charge against property, plant and equipment refer note 16 (i), note 20(i) and note 20(iv).

b) I. **Freehold land includes:**

i) Three title deeds of land of Rs. 2,113 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 2,113 lakhs) located at Ranchi, are in the name of erstwhile companies that had amalgamated with the Company in prior years.

ii) One title deed of land of Rs. 42 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 42 lakhs) located at Kolkata, is in the name of erstwhile company that had amalgamated with the Company in prior years.

iii) One plot of land of Rs. 29 lakhs as at 31st March, 2021 (31st March, 2020: Rs. 29 lakhs) located at Mumbai, in respect of which the conveyance deed is yet to be executed in favour of the Company. The title deed is under litigation and pending resolution in the concerned Trial Court as at 31st March 2021.

II. **Buildings include:**

i) One property with gross and net carrying amount of Rs. 1 lakh and Rs. 1 lakh respectively (31st March, 2020: gross and net carrying amount of Rs. 1 lakh and Rs. 1 lakh respectively) located at Mumbai, in respect of which the conveyance deed is yet to be executed in favour of the Company. The title deed is under litigation and pending resolution in the concerned Trial Court as at 31st March 2021.

ii) Two flats with gross and net carrying amount of Rs. 8 lakhs and Rs. 7 lakhs respectively (31st March, 2020: gross and net carrying amount of Rs. 8 lakhs and Rs. 7 lakhs respectively) located at Kolkata, is in the name of erstwhile company that had amalgamated with the Company in prior years.

c) On transition to Ind AS (i.e. 1st April 2015), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

4. INVESTMENT PROPERTY

Particulars	Building
Gross block	
As at 31st March, 2019	**875**
Exchange difference on consolidation	83
As at 31st March, 2020	**958**
Exchange difference on consolidation	(32)
As at 31st March, 2021	**926**
Accumulated depreciation	
As at 31st March, 2019	**134**
Charge for the year (refer note 30)	39
Exchange difference on consolidation	15
As at 31st March, 2020	**188**
Charge for the year (refer note 30)	40
Exchange difference on consolidation	(7)
As at 31st March, 2021	**221**
Net block	
As at 31st March, 2021	**705**
As at 31st March, 2020	770

a) Information regarding income and expenditure of investment property

Particulars	Year ended 31st Mar 21	Year ended 31st Mar 20
Rental income derived from investment property	195	162
Direct operating expenses (including repairs and maintenance) arising from investment property generating rental income	9	5
Profit arising from investment property before depreciation and indirect expenses	186	157
Less: depreciation	40	39
Profit arising from investment property before indirect expenses	**146**	**118**

b) Information regarding investment property

The Group's investment property consist of a commercial building in Singapore of Usha Martin Singapore Pte. Limited, which is leased to third party. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

c) Fair valuation of investment property

The valuation is based on valuations performed by an independent valuer in accordance with the valuation standards and practice guidelines issued by the Singapore Institute of Surveyors and Valuers.

The fair value of the investment property amounting to Rs. 2,058 lakhs (31st March, 2020: Rs. 2,187 lakhs) was derived using the recent sales of similar properties in the comparable locations. The valuer has adopted the Comparison method and Income Approach method for arriving at the market value of the investment property. Since the valuation is based on valuation techniques which maximise the use of observable market data, the Group has classified the same under level 2.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

5. OTHER INTANGIBLE ASSETS

Particulars	Computer software	Trademark	Total other intangible assets	Intangible Assets under development
Gross block				
As at 31st March, 2019	**2,065**	**162**	**2,227**	-
Additions	94	-	94	
Disposals/ Adjustments	13	-	13	-
Exchange difference on consolidation	28	18	46	-
As at 31st March, 2020	**2,174**	**180**	**2,354**	-
Additions	57	12	69	40
Disposals/adjustments	11	-	11	
Exchange difference on consolidation	(2)	(3)	(5)	-
As at 31st March, 2021	**2,218**	**189**	**2,407**	**40**
Accumulated amortisation				
As at 31st March, 2019	**984**	**70**	**1,054**	
Charge for the year (refer note 30)	356	11	367	
Disposals/adjustments	2	-	2	
Exchange difference on consolidation	10	17	27	
As at 31st March, 2020	**1,348**	**98**	**1,446**	-
Charge for the year-(refer note 30)	373	12	385	-
Disposals/adjustments	11	-	11	-
Exchange difference on consolidation	(4)	4	-	-
As at 31st March, 2021	**1,706**	**114**	**1,820**	-
Net block				
As at 31st March, 2021	**512**	**75**	**587**	**40**
As at 31st March, 2020	**826**	**82**	**908**	-

6. RIGHT OF USE OF ASSETS

Particulars	Land ^	Building#	Plant & Equipment##	Office Equipment	Vehicle*	Total
Gross block						
As at 31st March, 2019						
Transfer in from property, plant and equipment	281	-	39	3	172	495
Additions	3,189	892	39	3	200	4,323
Exchange difference on consolidation	150	49	-	-	22	221
As at 31st March, 2020	**3,620**	**941**	**78**	**6**	**394**	**5,039**
Additions	137	729	-	-	374	1,240
Disposal/adjustment	24	820	41	-	146	1,031
Exchange difference on consolidation	120	(10)	2	-	(15)	97
As at 31st March, 2021	**3,853**	**840**	**39**	**6**	**607**	**5,345**
Accumulated depreciation/amortisation						
As at 31st March, 2019						
Transfer in from property, plant and equipment	5	-	6	-	93	104
Charge for the year (refer note 30)	151	222	14	-	49	436
Exchange difference on consolidation	119	(107)	-	-	8	20
As at 31st March, 2020	**275**	**115**	**20**	-	**150**	**560**
Charge for the year (refer note 30)	164	181	8	1	100	454
Adjustment / disposal	-	211	-	-	124	346
Exchange difference on consolidation	(1)	16	-	-	(4)	11
As at 31st March, 2021	**438**	**101**	**17**	**1**	**122**	**679**
Net block						
As at 31st March, 2021	**3,415**	**739**	**22**	**5**	**485**	**4,666**
As at 31st March, 2020	3,345	826	58	6	244	4,479

^ Two plots of land with gross and net carrying amount of Rs 5 lakhs and Rs 3 lakhs respectively (31st March, 2020: gross and net carrying amount of Rs 5 lakhs and Rs 3 lakhs respectively) located at Ranchi, for which lease deeds are yet to be executed in favour of the Company by concerned authorities.

#Represents office space taken on lease

##Represents equipments such as forklift, hydra etc taken on lease

*Represents vehicles taken on finance lease

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

NON - CURRENT ASSETS

7(i) EQUITY ACCOUNTED INVESTMENTS

	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (unquoted)		
(at cost unless otherwise stated)		
In joint ventures		
Pengg Usha Martin Wires Private Limited #		
1,08,00,000 (31st March, 2020: 1,08,00,000) equity shares of Rs. 10 each, fully paid	2,942	2,576
CCL Usha Martin Stressing System Limited		
4,73,195 (31st March, 2020: 4,73,195) equity shares of Rs. 10 each, fully paid	45	43
Tesac Usha Wires Pvt Limited (Joint Venture of Usha Siam Steel Industries Public Group Limited, a subsidiary of the Company)		
12,50,000 (31st March, 2020: 12,50,000) equity shares of THB 100 each, fully paid	1,855	1,741
Total	**4,842**	**4,360**
Aggregate amount of unquoted investments	**4,842**	**4,360**

Refer note 34A2(iii)(b)

FINANCIAL ASSETS

7(ii) INVESTMENTS

	As at 31st March, 2021	As at 31st March, 2020
Investment in equity instruments (unquoted)		
(at fair value through profit and loss)		
Investment in other companies		
Adityapur Toll Bridge Company Limited		
1,00,000 (31st March, 2020: 1,00,000) equity shares of Rs. 10 each, fully paid [Cost Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), Rs. 5 lakhs (31st March, 2020: Rs. 5 lakhs), impaired]	5	5
Usha Communications Technology Limited BVI		
1,21,10,242 (31st March, 2020: 1,21,10,242) ordinary shares of USD 0.50 each, fully paid [Cost Rs. 28 lakhs (31st March, 2020: Rs. 28 lakhs), Rs. 28 lakhs (31st March, 2020: Rs. 28 lakhs), fully impaired]	-	-
UMI Special Steel Limited (in liquidation)		
1,80,68,472 (31st March, 2020: 1,80,68,472) equity shares of Rs. 10 each, fully paid	*	*
Adityapur Auto Cluster Limited		
1,000 (31st March, 2020: 1,000) equity shares of Rs. 1,000 each, fully paid [Cost Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), Rs. 10 lakhs (31st March, 2020: Rs. 10 lakhs), fully impaired]	-	-
Total	**5**	**5**
Aggregate amount of unquoted investments	**5**	**5**
Aggregate amount of impairment in value of investments	**43**	**43**

* Amount is below the rounding off norm adopted by the Group

7(iii) LOANS

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good unless otherwise stated)		
Loans to employees	75	90
Loan to others*	558	621
Total	**633**	**711**

*Represents interest bearing loan to a body corporate carrying interest @15% p.a. [net of impairment loss of Rs.213 lakhs (31st March, 2020: Rs.149 lakhs)].

Loans are financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

7(iv) OTHER FINANCIAL ASSETS

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good unless otherwise stated)		
Bank deposits with more than 12 months maturity#	328	682
Security deposits	894	914
Export incentive receivable		
Considered good	-	266
Considered credit impaired	266	-
Less: allowance for credit impaired receivable	(266)	-
Margin money##	1,488	1,379
Interest accrued but not due on deposits	410	428
Advance against coal mines [(refer note 39(i)(a)]	183	-
Total	**3,303**	**3,669**

#Rs. 63 lakhs (31st March, 2020: 532 lakhs) earmarked as margin money against issue of letter of credit and bank guarantee
##Earmarked as margin money against issuance of letter of guarantee

8. INCOME TAX ASSETS (NET)

	As at 31st March, 2021	As at 31st March, 2020
Advance payment of income tax [net of provision for tax - Rs. 113 lakhs (31st March, 2020: Rs. Nil)]	5,212	5,791

9. DEFERRED TAX ASSETS (NET)

	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets (DTA)		
On expenses allowable against taxable income in future years	4,058	4,827
On carry-forward unabsorbed depreciation	1,109	1,504
On carry-forward business losses	1,370	2,644
Total DTA	**6,537**	**8,975**
Deferred tax liabilities (DTL)		
On temporary difference between written down value of property, plant and equipment as per books of account and for tax purpose	3,572	3,372
On unamortised borrowing costs	75	110
Total DTL	**3,647**	**3,482**
Deferred tax assets (net)	**2,890**	**5,493**

Deferred tax assets and liabilities have been offset where they arise in the same legal entity and taxing jurisdiction but not otherwise.

(a) The major components of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are:

	Year ended 31st March, 2021	Year ended 31st March, 2020
i) Tax charge recognised in Statement of Profit and Loss		
Current income tax:		
Current income tax charge	941	860
Adjustments in respect of current income tax of previous year	(1)	154
Deferred tax:		
Relating to origination and reversal of temporary differences	2,704	19,959
Tax charge reported in the Statement of Profit and Loss	**3,644**	**20,973**
ii) Tax income recognised in OCI		
Gain on remeasurement of defined benefit plans	53	374
Tax income reported in OCI	**53**	**374**
Total tax expense for the year [(i) - (ii)]	**3,591**	**20,599**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(b) A reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated is as follows:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Accounting profit / (loss) before tax (including share of profit of joint ventures)	18,794	63,081
Statutory income tax rate	25.17%	25.17%
Tax profit /(loss) at statutory income tax rate	**4,730**	**15,877**
Adjustments:		
Deferred tax on brought forward business losses recognised out of opening balance	(676)	-
Exempt income	-	(40)
Effect of tax rate differences of subsidiaries operating in other jurisdictions	(421)	8
Tax on dividend received	30	-
Adjustment of tax relating to earlier periods	(1)	154
True up adjustments/impact of change in tax rate for future period*	-	4,952
Other differences	(18)	22
Total	**3,644**	**20,973**

The Group has losses of Rs. 1,134 lakhs (31st March, 2020: Rs. 1,671 lakhs) for which no deferred tax assets have been recognised. A part of these losses will expire in financial year 2027-28.

* During the year ended 31st March 2020, the Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

(c) Reconciliation of deferred tax assets/liabilities (net):

	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening deferred tax assets (net) balance as at 1st April	5,493	24,970
Opening deferred tax liabiliites (net) balance as of 1st April	(2,044)	(1,931)
Deferred tax charge/(credit) during the year recognised in Statement of Profit and Loss and OCI	2,651	19,585
Exchange difference	(195)	(5)
Closing balance as at 31st March	**603**	**3,449**

10. OTHER ASSETS: NON CURRENT

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good unless otherwise stated)		
Capital advances	75	42
Prepaid expenses	70	88
Balances with government authorities		
Excise / service tax	569	53
Sales tax / value added tax	1,015	1,083
Deposit for legal case	1,965	1,965
Deposit for fuel surcharge / other electricity matter	2,885	2,885
Claims receivable		
Considered good	35	230
Considered credit impaired	600	405
Less: allowance for credit impaired receivable	(600)	(405)
Advance against coal mines [refer note 35(i)(a)]	2,851	2,851
Less: credit impaired	(2,851)	(2,851)
Total	**6,614**	**6,346**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

CURRENT ASSETS

11. INVENTORIES

(at lower of cost and net realisable value)

	As at 31st March, 2021		As at 31st March, 2020	
Raw materials (including packing materials)*	21,561		16,944	
Goods-in transit	5,204		3,401	
		26,765		20,345
Work-in-progress		9,805		10,684
Finished goods	25,004		26,506	
Goods-in transit	2,289		888	
		27,293		27,394
Stock-in-trade		244		110
Stores and spare parts		2,370		2,178
Loose tools		251		254
Scrap/by-product		441		558
Total		**67,169**		**61,523**

* Including Rs. 133 lakhs held by a third party (31st March, 2020: Rs. 88 lakhs)

Note: Year end inventories are net of Rs. 176 lakhs (31st March, 2020: Rs. 1,314 lakhs) towards write-downs to net realisable value and provision for slow moving.

12. FINANCIAL ASSETS

(i) Trade receivables

(Unsecured at amortised cost)

	As at 31st March, 2021	As at 31st March, 2020
Considered good	31,998	27,030
Trade receivables which have significant increase in credit risk	755	2,810
Trade receivables - credit impaired	998	928
Less: allowance for credit impaired trade receivables	(998)	(928)
	32,753	29,840

(i) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Trade receivables are generally on terms of 30 to 120 days.

(iii) For lien / charge against trade receivables, refer Note 20(i). Below is the details of trade receivables discounted with recourse available to the bank and hence not meeting de-recognition criteria:

	As at 31st March, 2021	As at 31st March, 2020
Transferred receivables	2,531	875
Associated borrowings [refer note 20(i)]	2,531	875

(iv) Refer Note 38B(a) for information about credit risk and market risk on receivables

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(v) Set out below is the movement in the allowance for credit impaired trade receivables:

	As at 31st March, 2021	As at 31st March, 2020
As at 1st April	928	523
Provision/(reversal) for credit impaired trade receivables	70	405
Closing balance	998	928

(ii) Cash and cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Balances with banks:		
On current accounts	9,574	9,230
Deposits with original maturity less than 3 months*	269	424
Cheques/drafts on hand	59	27
Cash on hand	44	51
Total	**9,946**	**9,732**

*Short-term deposits with banks are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

(iii) Other bank balances

	As at 31st March, 2021	As at 31st March, 2020
Unpaid dividend accounts#	-	3
Deposits with original maturity for more than 3 months but up to 12 months ##	1,941	1,507
Total	**1,941**	**1,510**

#Earmarked for payment of unclaimed dividend
##Rs. 215 lakhs (31st March 2020, Rs.243 lakhs) earmarked as margin money against issue of letter of credit and bank guarantee

(iv) Loans

	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good unless otherwise stated) at amortised cost		
Loans to employees		
Considered good	95	94
Considered credit impaired	10	10
Less: Allowance for credit impaired loans to employees	(10)	(10)
Total	**95**	**94**

(v) Other financial assets

(Unsecured considered good unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
Derivative not designated as hedges		
Foreign exchange forward contracts#	80	23
Other financial assets at amortised cost		
Advance against land -coal mines [refer note 39(i)(a)]	-	227
Receivable from Tata Steel Long Products Limited [refer note 39(ii)]	16,000	16,000
Accrued interest on deposits and others	56	45
Claims /advances receivable	1,688	1,410
Considered credit impaired	385	-
Less: allowance for credit impaired deposits	(385)	-

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
Security deposits	344	225
Considered credit impaired	27	27
Less: allowance for credit impaired deposits	(27)	(27)
Export incentive receivable		
Considered good	758	517
Considered credit impaired	66	53
Less: Allowance for credit impaired balance	(66)	(53)
Other receivables	9	232
Total	**18,935**	**18,679**

Financial assets at fair value through profit and loss

Derivative instruments at fair value through profit and loss reflect the impact of change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 38B(c1) for details regarding the nature and extent of risks arising from financial instruments to which the Group is exposed at the end of the reporting year.

13. OTHER ASSETS: CURRENT

(Unsecured, considered good unless otherwise stated)

	As at 31st March, 2021	As at 31st March, 2020
Advances to suppliers*		
Considered good	2,996	3,152
Considered credit impaired	144	36
Less: allowance for credit impaired advances	(144)	(36)
Balance with statutory/Government authorities		
Considered good	3,493	4,663
Considered credit impaired	604	604
Less: allowance for credit impaired balance	(604)	(604)
Prepaid expenses	590	538
Total	**7,079**	**8,353**

*Represents the amount paid towards purchase of goods and are non-interest bearing.

EQUITY

14. SHARE CAPITAL

	As at 31st March, 2021	As at 31st March, 2020
Authorised		
50,00,00,000 (31st March, 2020: 50,00,00,000) equity shares of Re. 1 each	5,000	5,000
1,00,00,000 (31st March, 2020: 1,00,00,000) cumulative redeemable preference shares of Rs. 50 each	5,000	5,000
Total	**10,000**	**10,000**
Issued, subscribed and fully paid-up		
30,47,41,780 (31st March, 2020: 30,47,41,780) equity shares of Re. 1 each	3,047	3,047
Add: shares forfeited (amount originally paid-up)	7	7
Total	**3,054**	**3,054**

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year:

		As at 31st March, 2021	As at 31st March, 2020
Number of equity shares outstanding at the beginning and end of the year	Numbers	30,47,41,780	30,47,41,780
Amount of equity shares outstanding at the beginning and end of the year	Amount Rs. in lakhs	3,047	3,047

(b) 2,28,65,450 (31st March, 2020: 2,28,65,450) equity shares of face value of Re 1 each are represented by Global Depository Receipts (GDRs). Each GDR represents five underlying equity shares.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(c) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share (except in case of GDRs).The holders of GDRs do not have voting right with respect to shares. The dividend if 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 of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

(d) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of the shareholder		As at 31st March, 2021	As at 31st March, 2020
Equity shares of Re 1 each fully paid-up			
UMIL Share & Stock Broking Services Limited	Numbers	3,98,06,236	3,98,06,236
% holding		13.06%	13.06%
Deutsche Bank Trust Company Americas #	Numbers	2,28,65,450	2,28,65,450
% holding		7.50%	7.50%
Peterhouse Investments India Limited	Numbers	1,96,16,529	1,96,53,829
% holding		6.44%	6.45%
Usha Martin Ventures Limited	Numbers	2,00,00,088	2,00,27,588
% holding		6.56%	6.57%
Peterhouse Investments Limited #	Numbers	1,14,04,919	2,24,04,919
% holding		3.74%	7.35%

#As on 31st March, 2021, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 1,14,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

As on 31st March, 2020, 45,73,090 GDRs (representing 2,28,65,450 underlying equity shares) is with Deutsche Bank Trust Company Americas (depository). Peterhouse Investments Limited holds 2,24,04,919 equity shares and 16,85,691 GDRs (representing 84,28,455 underlying equity shares) and Kenwyn Overseas Limited holds 1,43,64,680 equity shares and 19,63,025 GDRs (representing 98,15,125 underlying equity shares).

(e) No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

15. OTHER EQUITY

	As at 31st March, 2021	As at 31st March, 2020
Securities premium	85,584	85,584
(Securities premium represents the premium on issue of shares and can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013)		
Capital reserve	1,112	668
(Capital reserve represents mainly state capital subsidy received from different state Governments)		
Capital redemption reserve	6,631	6,631
(Capital redemption reserve is created on redemption of preference shares as per statutory requirement and can be utilised in accordance with the provisions of the Companies Act, 2013)		
General reserve	54,439	54,439
(Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.)		

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

	As at 31st March, 2021	As at 31st March, 2020
Legal reserve	265	265
(Represents statutory amount set aside as per Limited Public Company Act, Thailand and can be utilised in accordance with the provisions of the said Act)		
Retained earnings	(26,426)	(41,352)
(Retained earnings represent the cumulative profit / (loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013)		
Foreign currency translation reserve	9,341	7,110
(This reserve contains accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities. Such foreign exchange differences are recognised in other comprehensive income. Exchange differences previously recognised in this reserve are reclassified to profit and loss on disposal of foreign operations)		
Other reserves	6,350	6,350
(Represent money received against equity warrants earlier forfeited and can be utilised in accordance with the provisions of the Companies Act, 2013)		
Total	**1,37,296**	**1,19,695**

NON - CURRENT LIABILITIES

16. FINANCIAL LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
(i) Borrowings		
(at amortised cost)		
(a) Secured		
Term loans		
- Banks (Rupee loans)	18,629	25,038
- Banks (Foreign currency loans)	5,110	5,445
(b) Unsecured		
- From a body corporate (Rupee loan)	-	35
Total*	**23,739**	**30,518**
Aggregate secured borrowings	**23,739**	**30,483**
Aggregate unsecured borrowings	**-**	**35**

* Net of unamortised borrowing cost of Rs. 296 lakhs (31st March, 2020: Rs. 436 lakhs) against term loans from banks

Term loans		Nature of security	As at 31st March, 2021	As at 31st March, 2020
	From banks (Rupee loans)			
(i)	ICICI Bank Limited [note (a) below]	A, D	1,499	4,498
(ii)	ICICI Bank Limited [note (b) below]	A, B, C, D	7,604	8,381
(iii)	ICICI Bank Limited [note (c) below]	A, B	7,377	9,075
(iv)	IndusInd Bank Limited [note (d) below]	A, B	2,149	3,084
			18,629	**25,038**
	From banks (Foreign currency loans)			
(v)	Rabo Bank [note (e) below]	E	2,350	2,369
(vi)	CIMB Bank [note (f) below]	F	2,743	3,053
(vii)	UMAI Bank [note (g) below]	G	17	23
			5,110	**5,445**
	From financial institution			
(viii)	Loan from a body corporate (unsecured) [note (i) below]		-	35
	Total		**23,739**	**30,518**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Loan covenants

Bank loans contain certain debt covenants relating to net debt to EBITDA, debt service coverage ratio, fixed assets coverage ratio etc. The Company has complied with all debt covenants stipulated in the terms of bank loan during the year.

Nature of security

A Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged in favour of such lenders

B Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.

C Secured by personal guarantee of Managing Director of the Company.

D Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

E Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of De Ruiter Staalkabel B.V., subsidiary of Usha Martin International Limited.

F Secured by a portion of land, buildings and structures, plant and machinery and equipment of Usha Martin Singapore Pte. Limited.

G Secured against assets procured from proceeds of borrowings.

Secured term loan - interest rate and terms of repayment

(a) Out of the rupee term loan from a bank amounting to Rs. 1,499 lakhs (31st March, 2020: Rs. 4,498 lakhs) is repayable in two equal quarterly instalments on 30th June, 2022 and 30th September, 2022. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

(b) Rupee term loan from a bank amounting to Rs. 7,604 lakhs (31st March, 2020: Rs. 8,381 lakhs) is repayable in fifteen quarterly instalments from 30th June, 2022 to 31st December, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

(c) Rupee term loan from a bank amounting to Rs. 7,377 lakhs (31st March, 2020: Rs. 9,075) is repayable in thirteen quarterly instalments from 30th June, 2022 to 30th June, 2025. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.60% p.a.

(d) Rupee term loan from a bank amounting to Rs. 2,149 lakhs (31st March, 2020: Rs. 3,084 lakhs) is repayable in nine quarterly instalments from 8th April, 2022 to 8th April, 2024. Interest is payable on monthly basis at one year marginal cost of fund of the bank plus 1.10% p.a.

(e) Foreign currency term loan from a bank amounting to Rs. 2,350 lakhs (31st March, 2020: Rs. 2,369 lakhs) is repayable in one hundred and forty six monthly instalments upto 31st May, 2034. Interest is payable on monthly basis at three month EURIBOR plus 2.1% p.a.

(f) Foreign currency term loan from a bank amounting to Rs. 2,743 lakhs (31st March, 2020: Rs. 3,053 lakhs) is repayable in forty five monthly instalments from 1st April, 2022 to 10th December, 2025. Interest is payable on monthly basis at one month LIBOR plus 2.59% p.a.

(g) Foreign currency loan from bank amounting to Rs. 17 lakhs (31st March, 2020: Rs. 23 lakhs) is repayable in thirty seven monthly instalments upto 28th February, 2025. Interest is payable on monthly basis at 5.54% p.a.

(h) Outstanding balances of loans and terms of repayment as indicated in (a) to (g) above are exclusive of current maturities of such loans as disclosed in Note 20(iv).

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Unsecured loan from a body corporate - interest rate and terms of repayment

(i) Rupee loans from a body corporate amounting to Rs. Nil (31st March, 2020: Rs. 35 lakhs) has been repaid during the year.

	As at 31st March, 2021	As at 31st March, 2020
(ii) Lease liabilities	3,896	3,670
at amortised cost		
Total lease liabilities	4,321	4,108
Less: shown under current [refer note 20 (ii)]	425	438
Non current lease liability	**3,896**	**3,670**
Change in liabilities arising in financial activities		
Beginning of the year	4,108	3,184
On adoption of Ind AS-116	1,194	1,241
Accretion of interest	175	127
Less: payments	(1,278)	(444)
Exchange difference on consolidation	122	-
End of the year	4,321	4,108

	As at 31st March, 2021	As at 31st March, 2020
(iii) Other financial liabilities	**36**	**19**

17. PROVISIONS

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 35)	4,712	3,859
Leave encashment	73	59
Long service award (refer note 35)	98	95
Retirement compensation (refer note 35)	897	922
Total	**5,780**	**4,935**

18. DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2021	As at 31st March, 2020
Deferred tax assets (DTA)		
On expenses allowable against taxable income in future years	207	337
Others	146	-
Total DTA	**353**	**337**
Deferred tax liabilities (DTL)		
Arising out of temporary difference in depreciable assets	2,640	2,381
Total DTL	**2,640**	**2,381**
Deferred tax liabilities (net)	**2,287**	**2,044**

Deferred tax assets and liabilities have been offset where they arise in the same legal entity and taxing jurisdiction but not otherwise.

At 31st March, 2021, a deferred tax liability of Rs. 13,131 lakhs (31st March, 2020: Rs. 11,661 lakhs) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognised because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.

Refer note 9 for reconciliation in respect of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

19. OTHER NON-CURRENT LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
Accruals for various obligations		
Excise/service tax/goods and service tax	1,457	1,518
Sales tax/entry tax	1,558	1,599
Other legal cases	-	15
	3,015	3,132

CURRENT LIABILITIES

20. FINANCIAL LIABILITIES

	As at 31st March, 2021	As at 31st March, 2020
(i) Borrowings		
(at amortised cost)		
(a) Secured*		
Loans repayable on demand	839	975
Working capital loans from banks#	11,621	17,242
Buyer's credit including acceptance from banks##	3,566	4,233
(b) Unsecured loans		
Bill discounting###	2,531	876
Total	18,557	23,326

*Nature of security - Secured by first charge by way of hypothecation of all current assets of the Company. Further such loans from banks are also secured by charge on certain immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. The loans are repayable on demand and carry interest @ 7.60% to 8.75% p.a. payable at monthly rests. Apart from securities mentioned above, working capital from a bank is secured by personal guarantee of Managing Director of the Company.

#Working capital loans from banks by a subsidiary company, Usha Siam Steel Industries Public Company Limited, covers promissory notes, packing credits and trust receipts. Working capital loans bears interest at the rate referenced to minimum overdraft rate per annum. Promissory notes bear interest at minimum lending rate per annum. Liabilities under trust receipt agreements carry interest at 4.00% per annum. The loan is secured by the mortgage of a portion of the Company's land, building and structures and property, plant and equipment. Further, savings deposits and fixed deposits have been pledged as collaterals against such credit facilities.

##Borrowings under buyer's credit of a subsidiary company, Usha Siam Steel Industries Public Company Limited, represents short-term loans from a bank for settlements of raw materials acquired from the Company. Such loan bears interest (inclusive of withholding tax) at the 6-month LIBOR plus 4.5% per annum. These loans have been guaranteed by the Company.

###The Company has discounted trade receivables on recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable does not meet de-recognition criteria. These bills are discounted @ 7.00% to 8.00% p.a. and are repayable within 180 days.

	As at 31st March, 2021	As at 31st March, 2020
(ii) Lease liabilities		
(at amortised cost)	425	438

	As at 31st March, 2021	As at 31st March, 2020
(iii) Trade payables		
(at amortised cost)		
Total outstanding dues of micro and small enterprises (refer note 41)	243	307
Total outstanding dues of creditors other than micro and small enterprises	23,891	24,837
Acceptances	12,096	11,185
	35,987	36,022
Total	36,230	36,329

Trade payables are normally settled up to 365 day terms.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Acceptances represent arrangements whereby banks make direct payments to suppliers of raw materials. The banks are subsequently repaid by the Company at a later date providing working capital timing benefits. Where these arrangements are for raw materials and have a maturity of upto the credit period contracted with the suppliers, the economic substance of the transaction is considered to be operating in nature and included under "Trade payables".

Acceptances payable to banks carry interest @ 6.50% to 8.50% p.a. and are secured by hypothecation of all current assets of the Company. Further such acceptances are also secured by charge on certain movable & immovable properties, subject to first charge in favour of financial institutions and banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company. Further, in respect of acceptances from a bank, these are secured against pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis. In respect of acceptances from another bank, personal guarantee of Managing Director has been given.

Refer note 38B(b) for explanations on the Group's liquidity risk management processes.

	As at 31st March, 2021	As at 31st March, 2020
(iv) Other financial liabilities		
Derivatives not designated as hedges		
(at fair value through profit and loss)		
Foreign exchange forward contracts#	8	397
Other financial liabilities		
(at amortised cost)		
Current maturities of long-term borrowings###	6,365	4,068
Interest accrued but not due on borrowings	108	202
Interest accrued on trade payables and others	243	182
Unclaimed dividends##	-	3
Security deposits received	508	326
Liability towards project vendors (including acceptances)	2,347	2,808
Payable relating to coal mines	1,384	1,384
Employees benefits payable	2,100	2,189
Other payables	2,509	2,200
Total	**15,572**	**13,759**

#Financial liabilities at fair value through profit and loss
Derivative instruments at fair value through profit and loss reflect the impact of change in fair value of those foreign exchange forward contracts that are not designated as hedge relationships. Refer note 38B(c1) for details regarding the nature and extent of risks arising from financial instruments to which the Group is exposed at the end of the reporting year.
##There are no amount due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the year end.
###Interest rate, nature of security and terms of repayment are:

Term Loan (secured)		Nature of security	As at 31st March, 2021	As at 31st March, 2020
From banks (Rupee loans)				
(i)	ICICI Bank Limited [note (a) below]	A, D	3,000	800
(ii)	ICICI Bank Limited [note (b) below]	A, B, C, D	800	500
(iii)	ICICI Bank Limited [note (c) below]	A, B	1,750	750
(iv)	Indusind Bank Limited [note (d) below]	A, B	-	1,000
			5,550	**3,050**
From banks (Foreign currency loans)				
(v)	CIMB Bank [note (e) below]	E	622	644
(vi)	RABO Bank [note (f) below]	F	193	187
			815	**831**
			6,365	**3,881**
From financial institution (Rupee loan)				
(vii)	Unsecured loan From a body corporate -Rupee loan [note (g) below]		-	187
Total			**6,365**	**4,068**
	Aggregate secured borrowings		**6,365**	**3,881**
	Aggregate unsecured borrowings		-	**187**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Nature of security

A Secured by a first pari-passu charge by hypothecation/mortgage over all the property, plant and equipment (present and future) of the Company other than the assets exclusively charged in favour of such lenders

B Secured by a second charge on entire current assets of the Company (present and future), pari-passu with other term lenders.

C Secured by personal guarantee of Managing Director of the Company.

D Secured by pledge of promoter's holding to the extent of 26% equity in the Company on pari-passu basis.

E Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of De Ruiter Staalkabel B.V., subsidiary of Usha Martin International Limited.

F Secured by a first pari-passu charge by mortgage over land and other immovable properties (present and future) of Usha Martin Singapore Pte. Limited.

Secured term loan - interest rate and terms of repayment

(a) Rupee term loan from a bank amounting to Rs. 3,000 lakhs (31st March, 2020: Rs. 500 lakhs) is repayable in four quarterly instalments from 30th June, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(b) Rupee term loan from a bank amounting to Rs. 800 lakhs (31st March, 2020: Rs. 800 lakhs) is repayable in four quarterly instalments from 30th June, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(c) Rupee term loan from a bank amounting to Rs. 1,750 lakhs (31st March, 2020: Rs. 750 lakhs) is repayable in three quarterly instalments from 30th September, 2021 to 31st March, 2022. Interest is payable on monthly basis at base rate of the bank plus 1.60% p.a.

(d) Rupee term loan from a bank due in four quarterly instalments from 8th April, 2021 to 8th January, 2022 amounting to Rs. 1,000 lakhs is prepaid during the year. Interest is payable on monthly basis at base rate of the bank plus 1.10% p.a.

(e) Foreign currency term loan from a bank amounting to Rs. 622 lakhs (31st March, 2020: Rs. 644 lakhs) is repayable in twelve monthly instalments from 1st April, 2021 to 31st March, 2022. Interest is payable on monthly basis at one month LIBOR plus 2.59% p.a.

(f) Foreign currency term loan from a bank amounting to Rs. 193 lakhs (31st March, 2020: Rs. 187 lakhs) was repayable in twelve monthly instalments from 1st April, 2021 to 31st March, 2022. Interest was payable on monthly basis at three month EURIBOR plus 2.10% p.a.

Unsecured loan from a body corporate - interest rate and terms of repayment

(g) Rupee loans from a body corporate amounting to Rs. 187 lakhs as on 31st March, 2020 has been repaid during the year.

Changes in liabilities arising from financing activities

Particulars	1st April, 2020	Cash flows	EIR adjustment	Others*	31st March, 2021
Non current borrowings	30,518	(554)	140	(6,365)	**23,739**
Current maturities of long term borrowings	4,068	(4,068)	-	6,365	**6,365**
Loans repayable on demand	975	(136)	-		**839**
Working capital loans from banks	17,242	(5,621)	-		**11,621**
Buyer's credit including acceptances from banks	4,234	(668)	-	-	**3,566**
Bill discounting	875	1,656	-	-	**2,531**
Total liabilities from financing activities	**57,912**	**(9,391)**	**140**	**-**	**48,661**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	1st April, 2019	Cash flows	EIR adjustment	Others*	31st March, 2020
Non current borrowings	2,30,555	-1,96,351	382	(4,068)	30,518
Non current obligations under finance leases and hire purchase contracts	42	-42	-	-	-
Current maturities of long term borrowings	40,489	(40,489)	-	4,068	4,068
Current maturities of finance lease obligation	20	(20)	-	-	-
Loans repayable on demand	59,603	(58,628)	-		975
Working capital loans from banks	16,822	12,654	-	-12,234	17,242
Buyer's credit including acceptances from banks	2,882	1,352	-	-	4,234
Unsecured loan from a body corporate	3,400	-3,400	-	-	-
Bill discounting	14,259	(13,384)	-	-	875
Total liabilities from financing activities	**3,68,072**	**(2,98,308)**	**382**	**(12,234)**	**57,912**

* Includes the effect of reclassification of non-current portion of borrowings.

21. PROVISIONS

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 35)	25	21
Leave encashment	798	788
Long service award (refer note 35)	5	4
Retirement compensation (refer note 35)	105	223
Total	**933**	**1,036**

22. INCOME TAX LIABILITIES (NET)

	As at 31st March, 2021	As at 31st March, 2020
Provision for income tax [net of taxes paid Rs. 713 lakhs (31st March, 2020: Rs. 713 lakhs)]	249	240

23. OTHER LIABILITIES: CURRENT

	As at 31st March, 2021	As at 31st March, 2020
Contract liabilities*	3,501	3,873
Statutory dues payable#	2,677	2,305
Advance received against sale of land	-	33
Renewable power obligation	2,925	4,220
Total	**9,103**	**10,431**

*Contract liabilities are short-term advances received towards sale of goods and are non-interest bearing
#Statutory dues primarily includes payable in respect of goods and services tax (GST), tax deducted at source etc.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

24. REVENUE FROM OPERATIONS

	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of goods	2,01,857	2,07,212
Sale/ rendering of services	3,028	3,099
Other operating revenue:		
Product scrap sales	3,273	2,877
Sale of captive power	382	420
Export incentives	1,188	1,774
Total	**2,09,728**	**2,15,382**

24A. Disaggregated revenue information

	Year ended 31st March, 2021	Year ended 31st March, 2020
Set out below is the disaggregation of the Group's revenue from contracts with customers:		
Wire and wire ropes	2,00,401	2,07,879
Others	9,327	7,503
Total revenue from operations	**2,09,728**	**2,15,382**
For reconciliation of the revenue from operations with the amounts disclosed in the segment information, refer note 37		
India	1,06,302	1,06,958
Outside India	1,03,426	1,08,424
Total revenue from operations	**2,09,728**	**2,15,382**

24B. Timing of revenue recognition

	Year ended 31st March, 2021	Year ended 31st March, 2020
Goods transferred at a point in time	2,06,700	2,12,283
Services rendered over time	3,028	3,099
Total revenue from operations	**2,09,728**	**2,15,382**

24C. Contract balances

	Year ended 31st March, 2021	Year ended 31st March, 2020
Trade receivables [refer note 12(i)]	32,753	29,840
Contract liabilities (refer note 23)	3,501	3,873

Trade receivables are generally on terms of 30 to 120 days. Rs. 998 lakhs (31st March, 2020: Rs. 928 lakhs) was recognised as allowance for credit impaired trade receivables.

Contract liabilities include advances received to deliver goods or services.

24D. Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted prices

	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue as per contracted prices	2,11,243	2,16,788
Less: discount/volume rebates	1,515	1,406
Revenue from contract with customers	**2,09,728**	**2,15,382**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

24E. The Group has recognised the following revenue-related contract liabilities and receivables from contract with customers

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amounts included in contract liabilities at the beginning of the year	3,873	3,337
Less: Revenue recognised against the opening contract liability on satisfaction of performance obligations	6,605	7,484
Add: Advance received during the year	6,237	7,999
Add: Exchange difference	(4)	21
Amounts included in contract liabilities at the end of the year (refer note 23)	**3,501**	**3,873**

24F. Performance obligations

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 120 days from delivery. Some contracts provide eligible customers with volume rebates which give rise to variable consideration subject to constraint.

	Year ended 31st March, 2021	Year ended 31st March, 2020
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31st March,2021 are, as follows:	30,213	53,903
0-1 Months	14,428	16,840
1-3 Months	10,514	8,955
3-6 Months	2,991	4,431
More than 6 months	2,280	23,677
All the performance obligations are expected to be recognised within one year.		

25. OTHER INCOME

	Year ended 31st March, 2021	Year ended 31st March, 2020
Miscellaneous scrap sales	156	84
Exchange differences (net)	-	1,080
Gain on derivative contracts / cancellation of forward contracts (net)	437	-
Liabilities no longer required written back	604	972
Allowance for credit impaired debts and advances no longer required written back	64	11
Claims received	476	486
Gain on disposal of property, plant and equipment [net of loss on disposal of property, plant and equipment of Rs. 2 lakhs (31st March, 2020: Rs. 6 lakhs)]	73	1,613
Rent received	234	182
Interest income on financial assets carried at amortised cost	369	416
Miscellaneous income	918	491
Total	**3,331**	**5,335**

26. COST OF MATERIALS CONSUMED

	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening Stock	20,345	16,325
Add: purchases	1,21,714	1,18,976
	1,42,059	**1,35,301**
Less: closing stock	26,765	20,345
Cost of materials consumed*	**1,15,294**	**1,14,956**

*Cost of materials consumed includes packing materials amounting to Rs. 3,005 lakhs (31st March, 2020: Rs. 3,472 lakhs)

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP/ BY-PRODUCT

		Year ended 31st March, 2021	Year ended 31st March, 2020
(A)	**Finished goods**		
	Opening stock	27,394	24,594
	Less: closing stock	27,293	27,394
	Adjustment on account of discontinued operations	-	(670)
		101	**(3,470)**
(B)	**Work-in-progress**		
	Opening stock	10,684	21,390
	Less: closing stock	9,805	10,684
	Adjustment on account of discontinued operations	-	(124)
		879	**10,582**
(C)	**Stock-in-trade**		
	Opening stock	110	96
	Less: closing stock	244	110
	Adjustment on account of discontinued operations	-	-
		(134)	**(14)**
(D)	**Scrap/by-product**		
	Opening stock	558	199
	Less: closing stock	441	558
	Adjustment on account of discontinued operations	-	(5)
		117	**(364)**
	Net changes in inventories [(A) + (B) + (C) + (D)]	**963**	**6,734**

28. EMPLOYEE BENEFITS EXPENSE

	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages and bonus	27,134	28,182
Contribution to provident and other funds (refer note 35)	1,413	1,399
Gratuity expense (refer note 35)	558	349
Staff welfare expenses	696	676
Total	**29,801**	**30,606**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

29. FINANCE COSTS

	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on financial liabilities measured at amortised cost	5,046	6,247
Interest on lease liabilities	175	127
Other borrowing costs	469	1,044
(includes letter of credit opening and retirement charges, loan processing fees etc.)		
Total	**5,690**	**7,418**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

30. DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation of property, plant and equipment (refer note 3)	5,908	5,520
Depreciation on investment properties (refer note 4)	40	39
Amortisation of intangible assets (refer note 5)	385	367
Amortisation of right-of-use assets (refer note 6)	454	436
Total	**6,787**	**6,362**

31. OTHER EXPENSES

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spare / loose tools	3,532	3,476
Operations and maintenance:		
Plant and machinery	3,372	3,927
Buildings	227	252
Power and fuel [refer note (i) below]	10,002	11,951
Freight and forwarding charges	9,119	8,786
Rent and hire charges	635	700
Rates and taxes	502	535
Insurance	722	621
Travelling and conveyance	561	1,205
Directors' sitting fees	21	34
Remuneration to auditors [refer note (iii) below]	303	296
Allowance for credit impaired debts and advances	208	859
Bad Debts / advances written off	83	351
Material handling charges	366	462
Processing charges	22	51
Corporate social responsibility (CSR) expenditure [refer note (ii) below]	-	11
Consultants and professional fees	900	1,212
Exchange difference [net]	317	404
(Gain)/loss on foreign currency transaction and translation [net]	140	-
Miscellaneous expenses [refer note (iv) below]	3,894	3,991
Total	**34,926**	**39,124**

(i) The following expenses are included in power and fuel expenses in the Statement of Profit and Loss:

	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores and spares / loose tools	182	191
Material handling charges	123	127
Operations and maintenance: plant and machinery	310	322
Operations and maintenance: buildings	7	4
Miscellaneous expenses	31	27
Total	**653**	**671**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

		Year ended 31st March, 2021	Year ended 31st March, 2020
(ii)	**Details of CSR expenditure**		
a)	Gross amount required to be spent by the group during the year	-	11
b)	Amount spent during the year		
(i)	Construction / acquisition of any asset	-	-
(ii)	On purposes other than (i) above	-	11
	Total	**-**	**11**
(iii)	**Remuneration to auditors comprises of:**		
	As auditor:		
	For statutory audit and limited reviews	227	222
	Tax audit fee	24	24
	Other matters	45	41
	Reimbursement of expenses	7	9
	Total	**303**	**296**

(iv) Research and development costs that are not eligible for capitalisation have been expensed during the year amounting to Rs. 366 lakhs (31st March, 2020: Rs. 340 lakhs), and they are recognised in miscellaneous expenses.

32. EARNINGS / (LOSS) PER EQUITY SHARE (EPS)

	Year ended 31st March, 2021	Year ended 31st March, 2020
The following reflects the income and share data used in the basic and diluted EPS computations:		
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from continuing operations (a)	15,403	(6,438)
Net profit /(loss) before OCI attributable to equity holders for basic and diluted EPS from discontinued operations (b)	(444)	48,322
Profit for the period [(c) = (a) + (b)]	14,959	41,884
Weighted average number of equity share outstanding for the purpose of basic and diluted EPS	30,47,41,780	30,47,41,780
Basic and diluted earnings / (loss) per equity share from continuing operations (Rs.)	5.06	(2.11)
Basic and diluted earnings / (loss) per equity share from discontinued operations (Rs.)	(0.15)	15.86
Basic and diluted earnings / (loss) per equity share from continuing and discontinued operations (Rs.)	4.91	13.75
Nominal value per share (Re.)	1	1

Earnings per share from discontinued operations as disclosed in these financial statements have been determined taking into consideration the profit from sale of SBB Business as stated in Note 39 (ii)

Profit /(loss) from continuing and discontinued operations for the year ended 31st March, 2020 includes utilisation of deferred tax assets pursuant to sale of SBB business and profit from sale of SBB business respectively. Therefore, earnings per share from continuing and discontinued operations for the year ended 31st March 2021 are not comparable with those for the year ended 31st March, 2020.

There have been no other transactions involving equity shares between the reporting date and the date of authorisation of these financial statements.

33. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and the disclosures. The Group based its assumptions and estimates on parameters available when the financial statements were prepared and these are reviewed at each Balance Sheet date. Uncertainties about these assumptions and estimates including those relating to the on-going COVID-19 pandemic as explained in Note 44 could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management (refer note 38D)
- Financial risk management objectives and policies (refer note 38B)
- Sensitivity analysis disclosures (refer note 35J).

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification – Group as lessor

The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

(ii) Revenue from contracts with customers

The Group applied the judgement of determining method to estimate variable consideration and assessing the constraint that significantly affect the determination of the amount and timing of revenue from contracts with customers.

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. In estimating the variable consideration for the sale of goods with volume rebates, the Group determined that the most likely amount method is appropriate.

(iii) Discontinued operations [refer note 39(ii)]

The Steel and Bright Bar Business (SBB Business) included only those assets and liabilities (including contingencies) that were to be acquired by the Purchaser under the terms of the BTA subject to the amendments and substitution vide Supplemental BTA (assumed assets, assumed liabilities and assumed litigations).

Assets, liabilities, income and expenses recognised in the discontinued SBB Business are those which are directly attributable to these business and are based on the books of account and underlying accounting records maintained by the SBB Business.

Pursuant to the terms of the BTA, certain assets pertaining to SBB Business are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables, deposit for fuel surcharge matter/electricity matter and deposit for a legal mining case which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Useful economic lives of property, plant and equipment and impairment considerations

Property, plant and equipment are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Group also reviews its property, plant and equipment, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, the Group's business plans and changes in regulatory environment are taken into consideration.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of the assets.

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(ii) Taxes

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits and business developments together with future tax planning strategies.

(iii) Defined benefit plans

The cost and the present value of the defined benefit gratuity plan and long term service award are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iv) Revenue recognition - estimating variable consideration for volume rebates

The Group estimates variable considerations to be included in the transaction price for the sale of goods with volume rebates. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. Estimates of volume

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

rebates are sensitive to changes in circumstances and the Group's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future.

(v) Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

(vi) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has capital commitments in relation to various capital projects which are not recognised on the Balance Sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(vii) Non-current assets held for sale

Assets and liabilities of non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sale. The determination of fair value less costs to sale include use of management estimates and assumptions. The fair value has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs.

(viii) Valuation of inventories

The Group follows suitable provisioning norms for writing down the value of slow-moving, non-moving and surplus inventory. This involves various judgements and assumptions that may differ from actual developments in the future.

34. COMMITMENTS AND CONTINGENCIES

A1 Leases

(a) Group as a lessee

(i) The Group as a lessee has entered into various lease contracts, which includes lease of land, office space, employee residential accommodation, equipments such as forklift, hydra etc, vehicles, guest house etc. Before the adoption of Ind AS 116: Leases, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Generally, the Group is restricted from assigning and subleasing the leased assets. There are lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in aligning with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group has certain leases of office space, employee residential accommodation, guest house etc with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Set out below are the net carrying amounts of right-of-use assets recognised in Balance Sheet and the movement during the year:

	Land	Building#	Plant and equipment##	Office equipment##	Vehicle*	Total
As at 31st March, 2019						
Transfer in from property, plant and equipment	276	-	33	3	79	391
Addition during the year	3,189	892	39	3	200	4,323
Exchange difference on consolidation	31	156	-	-	14	201
Less: amortisation	151	222	14	-	49	436
As at 31st March, 2020	**3,345**	**826**	**58**	**6**	**244**	**4,479**
Transfer in from property, plant and equipment	-	-	-	-	-	-
Addition during the year	137	729	-	-	374	1,240
Adjustment /disposal	(24)	(609)	(30)	-	(22)	(685)
Exchange difference on consolidation	121	(26)	2	-	(11)	86
Less: amortisation	164	181	8	1	100	454
As at 31st March, 2021 (refer note 6)	**3,415**	**739**	**22**	**5**	**485**	**4,666**

Represents office space taken on lease
Represents equipments such as forklift, hydra etc taken on lease
* Represents vehicles purchased on finance lease

(ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

	As at 31st March, 2021	As at 31st March, 2020
Balance as at beginning of the year	4,108	3,184
Addition	1,194	1,241
Accretion of interest (refer note 29)	175	127
Less: payments	1,278	444
Exchange difference on consolidation	122	-
Balance as at the end of the year	**4,321**	**4,108**
Current [refer note 20(ii)]	425	438
Non-current [refer note 16(ii)]	3,896	3,670

The maturity analysis of lease liabilities is disclosed in Note 38B (b).

(iii) Amounts recognised in the Statement of Profit and Loss

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amortisation expense of right-of-use assets (recognised in depreciation and amortisation expenses)	454	436
Interest expense on lease liabilities (recognised in finance costs)	175	127
Expense relating to short-term leases (included in rent and hire charges)	635	700
Total amount recognised in Statement of Profit and Loss for the year	**1,264**	**1,263**

(iv) Amount recognised in the Statement of Cash Flows

	Year ended 31st March, 2021	Year ended 31st March, 2020
Total cash outflow for the leases	1,278	444

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

A2 Commitments

		As at 31st March, 2021	As at 31st March, 2020
(i)	**Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	401	525
(ii)	**Other commitments**		
	Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme. During the year, the Company has filed an application to the Directorate General of Foreign Trade (DGFT) for revision of Average Export Obligation (AEO). Supported by a legal opinion obtained, the Company is reasonably certain of a favourable outcome and hence it does not anticipate a liability with respect to its obligations.	1,17,500	1,17,500
(iii)	**Guarantees**		
(a)	Corporate guarantee given by the Group to banks / third parties to secure the financial assistance / accommodation extended on behalf of subsidiaries. The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.	3,583	4,252

(b) The Group has provided a letter of comfort to a bank that has provided credit facilities to its joint venture, Pengg Usha Martin Limited. Such facilities have been utilised to the extent of Rs. 2,934 lakhs as at 31st March, 2021 (Rs. 2,986 lakhs as at 31st March, 2020) by the joint venture company. Vide the letter of comfort, the Group has provided an undertaking not to dispose off its investment in that joint venture company and to provide full support to its operations.

(iv) Bank guarantees	As at 31st March, 2021	As at 31st March, 2020
The Group has given bank guarantees details of which are as below:		
In favour of various parties against various contracts	1,927	963

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

B Contingent liabilities

	As at 31st March, 2021	As at 31st March, 2020
Claims against the Group not acknowledged as debt*##		
Demand for income tax matters	1,822	2,313
Demand for sales tax, entry tax and electricity duty**	4,229	4,652
Demand for excise duty and service tax	13,884	13,685
Demand for customs duty	1,620	2,068
Demand for Goods and Service Tax	487	487
Demand for land revenue	222	-
Outstanding labour disputes	28	39
Demand for fuel surcharge matter and delayed payment surcharge pending with appropriate authority	10,980	10,980
Demand for mining matter pending with High Court of Jharkand#	2,862	2,862
Demand for compensation on account of mining and dump /infrastructure/colony established outside approved mining lease area	1,710	1,710
Demand for financial assurance amount in Escrow account	226	226
Disputed claims by parties not acknowledged as debt by the Group	3,006	5,276

*Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Group, the management believes that the Group has a good chance of success in above mentioned matters and hence no provision there against is considered necessary.

**Includes demand aggregating to Rs. 1,730 lakhs (31st March, 2020: Rs. 1,730 lakhs) received by the Company towards entry tax in West Bengal and Punjab. Subsequent to the decision of the Hon'ble Supreme Court of India, vide order dated 11th November, 2016, upholding the rights of State Governments to impose entry tax, the Company has filed petitions before the Hon'ble High Courts of the aforesaid States and also Jharkhand on grounds that entry tax imposed by respective State legislations is discriminatory in nature. Pending decisions by the Hon'ble High Courts, the Company's obligation, if any, towards entry tax is not ascertainable. Based on legal opinion obtained, management believes that there will be no resultant adverse impact on the Company.

#The Company had given an undertaking to deposit Rs. 1,922 lakhs in six instalments in terms of the order of the Hon'ble High Court of Jharkand. Against the same, the Company has deposited an amount of Rs. 1,922 lakhs upto 31st March, 2020.

##Pending necessary clarification, the Group has complied with the order of the Hon'ble Supreme Court of India regarding applicability of Employees' Provident Funds & Miscellaneous Provisions Act, 1952 to certain fixed elements of remuneration paid/payable to employees with effect from the date of such order, i.e., 28th February, 2019 and has deposited such statutory dues with appropriate authorities. Any additional provision in respect of earlier periods will be recognised as and when further clarifications will be available.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

35. POST EMPLOYMENT DEFINED CONTRIBUTION PLANS AND POST EMPLOYMENT DEFINED BENEFIT PLANS

(a) Post employment defined contribution plans

	Year ended 31st March, 2021	Year ended 31st March, 2020
Amount recognised in the Statement of Profit and Loss		
(i) Provident fund paid to the authorities *	148	128
(ii) Pension fund paid to the authorities	697	668
(iii) Superannuation fund - Contribution payable / paid to a Trust	235	247
Total	**1,080**	**1,043**

*Contribution towards Provident Fund for certain employees is made to the regulatory authorities. Such provident fund benefit is classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss, as indicated above.

(b) Post employment defined benefit plans

I. Gratuity plan (funded)

The Company and UM Cables Limited, an Indian subsidiary of 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. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company.

II. Gratuity plan (unfunded)

Brunton Wire Ropes FZCO. Limited, an overseas subsidiary of the Group, provides for gratuity, a defined benefit retirement plan, covering its eligible employees. Pursuant to the plan, gratuity benefit equivalent to eligible salary for specified number of days for each year of completed service is paid to respective employees upon retirement, death or cessation of service. Vesting generally occurs upon completion of five years of service.

III. Long term service award (unfunded)

Employees of the Group rendering greater than twenty years of service will receive long service award on all causes of exit as per the Group's policy. The cost of providing benefits under this plan is determined by actuarial valuation using the projected unit credit method by independent qualified actuaries at the year end.

IV. Retirement compensation (unfunded)

Usha Siam Steel Industries Company Limited, an overseas subsidiary of the Group, provides for retirement compensation, a defined benefit plan, covering its employees. Pursuant to the plan, retirement compensation is paid to employees based on last drawn salary and length of service upon retirement, death or resignation. Vesting occurs upon completion of 120 days of service.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the above defined benefit plans:

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

A Expenses recognised in the Statement of Profit and Loss

		Year ended 31st March, 2021				Year ended 31st March, 2020			
		Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)
1	Current / past service cost	283	46	3	153	191	42	3	413
2	Net interest cost	206	23	5	23	99	17	5	24
3	**Amount recognised in Statement of Profit and Loss in continuing operations (i)**	**489**	**69**	**8**	**176**	**290**	**59**	**8**	**437**
	Expenses recognised in Other Comprehensive Income								
4	Remeasurement (gains)/losses on defined benefit plans								
	Arising from changes in experience	227	46	(9)	-	874	56	(6)	-
	Arising from changes in financial assumptions	1	131	-	-	620	20	4	28
	Return on plan assets greater/(lesser) than discount rate	(2)	-	-	-	6	-	-	-
5	**Total (ii)**	**226**	**177**	**(9)**	**-**	**1,500**	**36**	**(2)**	**28**
6	**Total expense (i)+(ii)**	**715**	**246**	**(1)**	**176**	**1,790**	**95**	**6**	**465**

B Net asset / (liability) recognised in the Balance Sheet

		As at 31st March, 2021		As at 31st March, 2020	
		Gratuity	Long term service award	Gratuity	Long term service award
1	Present value of defined benefit obligation	4,924	69	4,655	72
2	Fair value of plan assets	1,184	-	1,540	-
3	Net asset / (liability)	(3,740)	(69)	(3,115)#	(72)

#Net of Rs. 25 lakhs plan assets of a subsidiary

C Change in the present value of the defined benefit obligation during the year

		As at 31st March, 2021				As at 31st March, 2020			
		Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)
1	**Present value of defined benefit obligation at the beginning of the year**	**4,655**	**466**	**72**	**1,147**	**3,112**	**346**	**68**	**897**
2	Current service cost / plan amendments	283	46	3	153	191	42	3	413
3	Interest cost	294	23	5	23	220	17	5	24
4	Benefits paid	(536)	(2)	(2)	(333)	(362)	(12)	(2)	(263)
5	Remeasurement (gains)/losses	228	177	(9)	-	1,494	56	(2)	28
6	Exchange differences on foreign plans	-	(20)	-	12	-	17	-	48
7	**Present value of defined benefit obligation at the end of the year**	**4,924**	**690***	**69#**	**1,002**	**4,655**	**466***	**72#**	**1,147**

*Excludes liability for gratuity amounting to Rs. 307 lakhs (31st March, 2020: Rs. 299 lakhs) of Usha Martin Singapore Pte Limited, a subsidiary of the Company. The liability has been provided on actual basis for the unfunded gratuity plan.
#Excludes liability for long term service award amounting to Rs. 34 lakhs (31st March, 2020: Rs. 27 lakhs) of Usha Martin Singapore Pte Limited, a subsidiary of the Company. The liability has been provided on actual basis for the unfunded long term service award.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

D Change in the fair value of plan assets during the year (gratuity)

		As at 31st March, 2021	As at 31st March, 2020
1	Plan assets at the beginning of the year	1,540	1,777
2	Interest income	88	121
3	Contribution by employer	90	10
4	Actual benefits paid	(536)	(362)
5	Return on plan assets greater/(lesser) than discount rate	2	(6)
6	**Plan assets at the end of the year**	**1,184**	**1,540**

E In 2021-22, the Group expects to contribute Rs. 3,738 lakhs to gratuity fund.

F The major categories of plan assets as a percentage of the fair value of total plan assets (gratuity)

	As at 31st March, 2021	As at 31st March, 2020
Investments with insurer	97%	97%
Cash and cash equivalent	3%	3%
Total	**100%**	**100%**

G Actuarial assumptions

		As at 31st March, 2021				As at 31st March, 2020			
		Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)
1	Discount rate	6.70% / 6.80%	5.25%	6.70%	1.86%	6.70% / 6.80%	5.25%	6.70%	1.86%
2	Expected rate of return on plan assets	6.70% / 6.80%	NA	NA	NA	6.70% / 6.80%	NA	NA	NA
3	Mortality pre retirement	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	100% of the Male and Female Thai Mortality Ordinary Tables of 2008	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	100% of the Male and Female Thai Mortality Ordinary Tables of 2008
4	Mortality post retirement	LIC (1996-98) Ultimate	LIC (1996-98) Ultimate	NA	TMO 2008	LIC (1996-98) Ultimate	LIC (1996-98) Ultimate	NA	TMO 2008
5	Withdrawal rate	1%	1%	1%	2% - 48%	1%	1%	1%	2% - 48%
6	Rate of salary increases	6%	6%	6%	6%	6%	6%	6%	6%

H The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

I Maturity profile of the defined benefit obligation (undiscounted amount)

Expected benefit payments for the year ending	As at 31st March, 2021				As at 31st March, 2020			
	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)
Not later than 1 year (next annual reporting period)	309	25	3	116	227	22	4	115
Later than 1 year and not later than 5 years	1,503	211	28	532	1,459	195	27	525
Later than 5 year and not later than 10 years	3,453	163	46	610	2,960	86	43	602
More than 10 years	13,308	-	13	1,433	12,582	-	15	1,412
Total expected payments	**18,573**	**399**	**90**	**2,691**	**17,228**	**303**	**89**	**2,654**
Weighted average duration of defined benefit obligation	**9**	**9**	**7**	**7**	**9**	**9**	**7**	**7**

J Sensitivity analysis

The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Increase /(decrease) in defined benefit obligation	As at 31st March, 2021				As at 31st March, 2020			
	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Long term service award	Retirement compensation (unfunded)
Discount rate								
Increase by 0.5% / 1%	(371)	(76)	(5)	(47)	(366)	(49)	(104)	(50)
Decrease by 0.5% / 1%	424	91	5	52	419	58	24	55
Expected rate of increase in compensation level of covered employees								
Increase by 0.5% / 1%	416	-	*	63	413	-	2	55
Decrease by 0.5% / 1%	(372)	-	*	(58)	(368)	-	(2)	(51)

* Amount is below the rounding off norm adopted by the Group.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the Balance Sheet.

K Risk analysis

The Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

(i) Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

(ii) Longevity risk/Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(iii) Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(iv) Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

(v) Provident fund

Provident fund contributions in respect of employees [other than those covered in (a) above] are made to Trusts administered by the Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the guidance on implementing Indian Accounting Standard 19 on Employee Benefits, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected unit credit method and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the period, the Company's contribution Rs. 333 lakhs (31st March, 2020: Rs. 356 lakhs) to the Provident Fund Trust, has been expensed under "Contribution to provident and other funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.70%	6.70%
Withdrawal rate	1%	1%
Expected rate of increase in compensation level of covered employees	6.00%	6.00%
In service mortality	IALM (2006-08)	IALM (2006-08)
Post retirement mortality	LIC(1996-98) Ultimate	LIC(1996-98) Ultimate
EPFO Return	8.50%	8.50%

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

36. RELATED PARTY DISCLOSURES

(i) Related Parties

(A) Related Parties with whom the Company had transactions

(a) Joint ventures	Pengg Usha Martin Wires Private Limited (PUMWPL) CCL Usha Martin Stressing Systems Limited (CCLUMSSL) Tesac Usha Wire rope Company Limited (TUWCL) *
(b) Substantial interest in the voting power of the entity	UMI Special Steel Limited (UMISSL) (under liquidation)
(c) Key managerial personnel	Mr. Mukesh Rambihari Rohatgi, Chairman Mr. Brij K Jhawar, Director (ceased wef 23rd September, 2020) Mr. Prashant Jhawar, Director (till 13th September, 2019) Mr. Salil Singhal, Director (till 30th July, 2019) Mr. Jitender Balakrishnan, Director (till 30th July, 2019) Mr. P.S.Bhattacharyya, Director (till 30th July, 2019) Mr. Venkatachalam Ramakrishna Iyer, Director Mr. Vijay Singh Bapna, Director Mrs. Ramni Nirula, Director Mr. Rajeev Jhawar, Managing Director Mr. P.K.Jain, Joint Managing Director (Wire and Wire Rope Business) (till 17th May, 2020) Mr. Dhrub Jyoti Basu, Wholetime Director (appointed w.e.f 6th June, 2020) Mr. Devadip Bhowmik, Wholetime Director (appointed w.e.f 15th March, 2021) Mr. Rohit Nanda, Chief Financial Officer (till 9th April, 2019) Mrs. Shampa Ghosh Ray, Company Secretary Mr. Anirban Sanyal, Chief Financial Officer (w.e.f 10th April,2019)
(d) Others	Usha Martin Employee Provident Fund Trust Joh Pengg Austria AG (Holding Company of PUMWPL)

* Represents step-down joint venture

(ii) Particulars of transactions

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial period:

Name and relationship	Period	Transactions during the period					
		Sale of products and services	Purchase of machineries	Dividend received	Key management personnel' remuneration#	Directors' sitting fees	Contribution to employees provident fund trust
Key managerial personnel							
Mr. Rajeev Jhawar	**31st March, 2021**	**-**	**-**	**-**	**123**	**-**	**-**
	31st March, 2020	-	-	-	149	-	-
Mr. Brij K Jhawar	**31st March, 2021**	**-**	**-**	**-**	**-**	**1**	**-**
	31st March, 2020	-	-	-	-	3	-
Mr. P. K. Jain	**31st March, 2021**	**-**	**-**	**-**	**15**	**-**	**-**
	31st March, 2020	-	-	-	140	-	-
Mrs. Ramni Nirula	**31st March, 2021**	**-**	**-**	**-**	**-**	**4**	**-**
	31st March, 2020	-	-	-	-	5	-
Mr. Vijay Singh Bapna	**31st March, 2021**	**-**	**-**	**-**	**-**	**5**	**-**
	31st March, 2020	-	-	-	-	4	-
Mr.Devadip Bhowmik ##	**31st March, 2021**	**-**	**-**	**-**	**4**	**-**	**-**
	31st March, 2020	-	-	-	-	-	-

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Name and relationship	Period	Transactions during the period					
		Sale of products and services	Purchase of machineries	Dividend received	Key management personnel' remuneration#	Directors' sitting fees	Contribution to employees provident fund trust
Mr. Dhrub Jyoti Basu ##	**31st March, 2021**	**-**	**-**	**-**	**48**	**-**	**-**
	31st March, 2020	-	-	-	-	-	-
Mr. Anirban Sanyal	**31st March, 2021**				**79**		
	31st March, 2020				86		
Mr. Rohit Nanda	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	-	45	-	-
Ms. Shampa Ghosh Ray	**31st March, 2021**	**-**	**-**	**-**	**50**	**-**	**-**
	31st March, 2020	-	-	-	56	-	-
Mr. Prashant Jhawar	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	-	-	1	-
Mr. Jitender Balakrishnan	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	-	-	5	-
Mr. Salil Singhal	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	-	-	5	-
Mr. P.S. Bhattacharyya	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**-**
	31st March, 2020	-	-	-	-	4	-
Mr. Venkatachalam Ramakrishna Iyer	**31st March, 2021**	**-**	**-**	**-**	**-**	**3**	**-**
	31st March, 2020	-	-	-	-	4	-
Mr. Mukesh Rambihari Rohatgi	**31st March, 2021**	**-**	**-**	**-**	**-**	**8**	**-**
	31st March, 2020	-	-	-	-	7	-
Total	**31st March, 2021**	**-**	**-**	**-**	**319**	**21**	**-**
	31st March, 2020	-	-	-	476	38	-
Others							
Usha Martin Employees Provident Fund Trust	**31st March, 2021**	**-**	**-**	**-**	**-**	**-**	**333**
	31st March, 2020	-	-	-	-	-	356
Joh Pengg Austria AG	**31st March, 2021**	**-**	**-**	**180**	**-**	**-**	**-**
	31st March, 2020	151	-	240	-	-	-
Total	**31st March, 2021**	**-**	**-**	**180**	**-**	**-**	**333**
	31st March, 2020	151	-	240	-	-	356
Grand Total	**31st March, 2021**	**-**	**-**	**180**	**319**	**21**	**333**
	31st March, 2020	151	-	240	476	38	356

36(ii)(a) Remuneration to key management personnel:

Particulars	Period	Mr. Rajeev Jhawar	Mr. P. K. Jain	Mr. Anirban Sanyal	Mr. Rohit Nanda	Ms. Shampa Ghosh Ray	Mr.Devadip Bhowmik	Mr. Dhrub Jyoti Basu
Salary, bonus and perquisites	**31st March, 2021**	**105**	**15**	**75**	**-**	**48**	**4**	**41**
	31st March, 2020	130	140	82	45	54	-	-
Contribution to provident and other funds	**31st March, 2021**	**18**	**-**	**4**	**-**	**2**	*****	**7**
	31st March, 2020	19	-	4	-	2	-	-

#Key managerial personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. As the future liability for gratuity and leave is provided on an actuarial basis for the Group as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

##Amount in the capacity of key managerial personnel disclosed.

* Amount is below the rounding off norm adopted by the Group.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

36(iii) Balance outstanding at the year end 31st March, 2021

Name and relationship		Balance outstanding at the year end			
		Corporate / other guarantees given	Advances	Investments in equity shares	Company's contribution to Related Party Trust
Substantial interest in voting power of the Company					
UMISSL	**31st March, 2021**	**-**	**-**	*****	**-**
	31st March, 2020	-	-	*	-
Key managerial personnel					
Mr. Rajeev Jhawar	**31st March, 2021**	**22,914**	**-**	**-**	**-**
	31st March, 2020	29,075	-	-	-
Total	**31st March, 2021**	**22,914**	**-**	*****	**-**
	31st March, 2020	29,075	-	*	-
Others	**31st March, 2021**	**-**	**-**	**-**	**112**
Usha Martin Employees Provident Fund Trust	31st March, 2020	-	-	-	118
Joh Pengg Austria AG	**31st March, 2021**	**-**	**1**	**1,620**	**-**
	31st March, 2020	-	1	1,620	-
Total	**31st March, 2021**	**-**	**1**	**1,620**	**112**
	31st March, 2020	-	1	1,620	118
Grand Total	**31st March, 2021**	**22,914**	**1**	**1,620**	**112**
	31st March, 2020	29,075	1	1,620	118

* Amount is below the rounding off norm adopted by the Group.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31st March, 2021 and 31st March, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Group routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms.

37. SEGMENT INFORMATION

Based on evaluation of the Group's business performance by the Chief Operating Decision Maker (CODM), the Group's businesses are organised in the following reportable segments:

- The wire and wire ropes segment which manufactures and sells steel wires, strands, wire ropes, cord, bright bar, related accessories, etc.
- Discontinued operations mentioned below represents steel segment which used to manufacture and sell steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products.
- Others include manufacturing and selling of wire drawing and allied machines, jelly filled telecommunication cables.

The Group's financing (including finance costs and finance income) and income taxes are managed on a Company level and are not allocated to operating segments.

The CODM monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment.

Transfer prices between operating segments are on an arm's length basis. Inter-segment revenues are eliminated and reflected in the 'adjustments and eliminations' column.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The following table presents revenue and profit information and certain asset information regarding the Group's business segment as at and for the year ended 31st March, 2021 and 31st March, 2020.

I. Business segment analysis

Particulars	Business segments: Wire and wire ropes (continuing operations)	Business segments: Others (continuing operations)	Total
Segment revenue			
External revenue	**2,00,401**	**9,327**	**2,09,728**
	2,07,879	7,503	2,15,382
Segment results	**27,675**	**(44)**	**27,631**
	26,086	(1,518)	24,568
Depreciation and amortisation	**6,313**	**376**	**6,689**
	6,011	264	6,275
Unallocated			**98**
			87
Total depreciation and amortisation			**6,787**
			6,362
Total assets-segments	**2,14,965**	**10,838**	**2,25,803**
	2,06,542	10,423	2,16,965
Total assets-unallocated			**34,726**
			39,438
Total assets			**2,60,529**
			2,56,403
Total liabilities-segments	**51,867**	**5,143**	**57,010**
	48,774	4,360	53,134
Total liabilities-unallocated			**62,812**
			76,743
Total liabilities			**1,19,822**
			1,29,877
Reconciliations to amounts reflected in the financial statements			
Reconciliation of profit /(loss)			
Segment profit /(loss)	**27,675**	**(44)**	**27,631**
	26,086	(1,518)	24,568
Less: Finance costs			**5,690**
			7,418
Less: Other unallocable expenditure (net of unallocable income)			**3,162**
			2,434
Profit before tax for the period from continuing operations			**18,779**
			14,716
Loss for the period from Discontinued operations before tax and finance costs			**(444)**
			(5,504)
Less: Finance costs			**-**
			1,826
Loss for the period before tax from Discontinued operations			**(444)**
			(7,330)
Profit/(loss) on disposal of SBB Business (discontinued operations)			**-**
			55,652
Total Profit / (loss) before tax from discontinued operations			**(444)**
			48,322
Total Profit before tax			**18,335**
			63,038

Note: Figures in bold relate to 31st March, 2021 and normal type relate to 31st March, 2020

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

II. Geographical segment analysis

The revenue information below is based on the locations of the customers. The following table provides an analysis of Group's sales by region in which the customer is located, irrespective of the origin of the goods.

	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue by geographical segment		
India	1,06,302	1,06,958
Outside India	1,03,426	1,08,424
Total revenue from operations as per Statement of Profit and Loss	**2,09,728**	**2,15,382**

Details of non-current assets (property, plant and equipment, capital work-in-progress, investment property, goodwill on consolidation, other intangible assets, intangible assets under development and right-of-use assets) based on geographical area is as below:

	As at 31st March, 2021	As at 31st March, 2020
India	46,309	47,916
Outside India	51,346	50,964
Total	**97,655**	**98,880**

Segment capital expenditure

	Year ended 31st March, 2021	Year ended 31st March, 2020
India	1,528	3,028
Outside India	1,350	1,003
Total	**2,878**	**4,031**

38 A. FAIR VALUE HIERARCHY

The following table provides the fair value hierarchy of the Group's assets and liabilities:

(a) Financial instruments by category

	As at 31st March, 2021				As at 31st March, 2020			
	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value	Fair value through profit and loss	Amortised cost	Total carrying value	Total fair value
Financial assets								
Investments	5	-	5	5	5	-	5	5
Trade receivables	-	32,753	32,753	32,753	-	29,840	29,840	29,840
Cash and cash equivalents	-	9,946	9,946	9,946	-	9,732	9,732	9,732
Other bank balances	-	1,941	1,941	1,941	-	1,510	1,510	1,510
Loans	-	728	728	728	-	805	805	805
Other financial assets including derivatives	80	22,158	22,238	22,238	23	22,325	22,348	22,348
Total financial assets	**85**	**67,526**	**67,611**	**67,611**	**28**	**64,212**	**64,240**	**64,240**
Financial liabilities								
Borrowings (including current maturities)	-	48,661	48,661	48,661	-	57,912	57,912	57,912
Lease liabilities		4,321	4,321	4,321	-	4,108	4,108	4,108
Trade payables	-	36,230	36,230	36,230	-	36,329	36,329	36,329
Derivatives	8	-	8	8	397	-	397	397
Other financial liabilities	-	9,235	9,235	9,235	-	9,313	9,313	9,313
Total financial liabilities	**8**	**98,447**	**98,455**	**98,455**	**397**	**1,07,662**	**1,08,059**	**1,08,059**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The model incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at 31st March, 2021, the mark-to-market value of other derivative assets / liabilities positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

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

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit and loss. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

(b) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities

Financial assets and liabilities measured at fair value at 31st March, 2021

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	5
Derivative financial assets at fair value	-	80	-	80
Financial liabilities				
Derivative financial liabilities at fair value	-	8	-	8

Financial assets and liabilities measured at fair value at 31st March, 2020

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments	-	-	5	**5**
Derivative financial assets at fair value	-	23	-	**23**
Financial liabilities				
Derivative financial liabilities at fair value	-	397	-	**397**

Notes:

The Group uses the following hierarchy for determining and /or disclosing the fair value of financial instruments by valuation techniques:

Level 1 hierarchy includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

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

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

There are no transfers between levels 1 and 2 during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

38 B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management and governance framework. The board of directors has established the Risk Management Committee (RMC) which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and control and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's activities expose it to market risk, liquidity risk and credit risk which are measured, monitored and managed to abide by the principles of risk management.

(a) Credit risk

Credit risk refers to the risk of financial loss that may arise from counterparty failure on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Group controls its own exposure to credit risk. All external customers undergo a creditworthiness check. The Group performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Group does not perceive any significant credit risk on trade receivables. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, as part of its cash management and credit risk function, the Group regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Group primarily has banking relationships with the public sector, private and large international banks with good credit rating.

In addition, as part of its cash management and credit risk function, the Group regularly evaluates the creditworthiness of financial and banking institutions where it deposits cash and performs trade finance operations. The Group primarily has banking relationships with the public sector, private and large international banks with good credit rating.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables as at 31st March, 2021 and 31st March, 2020 respectively.

The maximum exposure to the credit risk at the reporting date is the carrying value of all financial assets amounting to Rs. 67,611 lakhs (31st March, 2020: Rs. 64,240 lakhs) as disclosed in note 38A(a).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Movement in the allowance for credit impaired trade receivables is given in Note 12 (i).

Of the year-end trade receivables, the following were past due but not impaired as at 31st March, 2021 and 31st March, 2020:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Neither impaired nor past due	23,160	15,117
Past due but not impaired		
Due less than one month	5,580	6,908
Due between one - three months	3,257	5,005
Due between three - twelve months	574	1,351
Due greater than twelve months	182	1,459
Total	**32,753**	**29,840**

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors of the respective Companies on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations arise when a number of counterparties are engaged in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(b) Liquidity risk

Liquidity risk arises from the Group's inability to meet its cash flow commitments on the due date. The Group has liquidity risk monitoring processes covering short-term, mid-term and long-term funding. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of committed credit facilities and loan funds. Management regularly monitors projected and actual cash flow data, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures coupled with rolling cash flow forecasts. The contractual maturities of the Group's financial liabilities are presented below:-

31st March, 2021	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings*	27,267	14,578	12,047	1,044	54,936
Trade payables	36,230	-	-	-	36,230
Other financial liabilities	9,235	-	-	-	9,235
Lease liabilities	425	3,878	8	10	4,321
Derivative financial liabilities	8	-	-	-	8
Total	**73,165**	**18,456**	**12,055**	**1,054**	**1,04,730**

31st March, 2020	Contractual cash flows				
	Less than 1 year	1-3 years	3-8 years	Above 8 years	Total
Non-derivative financial liabilities					
Borrowings*	30,421	18,031	17,873	928	67,253
Trade payables	36,329	-	-	-	36,329
Other financial liabilities	9,000	-	-	-	9,000
Lease liabilities	438	3,651	9	10	4,108
Derivative financial liabilities	397	-	-	-	397
Total	**76,585**	**21,682**	**17,882**	**938**	**1,17,087**

* Includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest obligations.

The amount of guarantees given on behalf of subsidiaries included in note 34A2 (iii) represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely that such an amount will not be payable under the arrangement.

(c) 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. The Group is exposed to different types of market risks. The market risk is the possibility that changes in foreign currency exchange rates, interest rates and commodity prices may affect the value of the Group's financial assets, liabilities or expected future cash flows. The fair value information presented below is based on the information available with the management as of the reporting date.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(c.1) Foreign currency exchange 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. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. A reasonably possible strengthening /weakening of the Indian Rupee against such foreign currency (converted to US Dollars) as at 31st March, 2021 and 31st March, 2020 would have affected profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases.

	Changes in USD rate	Unhedged foreign currency receivables / (payables) (net)	Effect on profit/ (loss) before tax	Impact on equity
31st March, 2021	10%	22,711	2,271	2,271
	-10%	-	(2,271)	(2,271)
31st March, 2020	10%	16,473	1,647	1,647
	-10%	-	(1,647)	(1,647)

Derivative financial instruments

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining maturity period.

	As at 31st March, 2021	As at 31st March, 2020
Less than 1 year		
Forward contract to cover both present and future foreign currency exposures:		
Import payables	2,710	2,358
Export receivables	11,342	14,510

(c.2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.Interest rate risk 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 Group's cash flows as well as costs. The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The exposure of the Group's financial assets and financial liabilities as at 31st March, 2021 and 31st March, 2020 to interest rate risk is as follows:

Financial Assets	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
31st March, 2021	67,611	-	3,990	63,621
31st March, 2020	64,240	-	4,148	60,092

Financial liabilities	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
31st March, 2021	98,455	60,757	4,321	33,377
31st March, 2020	1,08,059	69,097	4,108	34,854

If the interest rates applicable to floating rate instruments is increased/decreased by 1%, the profit before tax for the year ended 31st March, 2021 (and corresponding impact on equity) would decrease/increase by Rs. 608 lakhs (31st March, 2020: Rs. 691 lakhs) on an annualised basis. This assumes that the amount and mix of fixed and floating rate debt remains unchanged during the year from that in place as at year end.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(c.3) Commodity price risk

The Company's revenue is exposed to the risk of price fluctuations related to the sale of its wire & wire rope products. Market forces generally determine prices for such products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of wire & wire rope products.

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices of wire rods, zinc, lead, lubricants, core and other raw material inputs. The Company purchased substantially all of coal requirements from third parties in the open market during the year ended 31st March, 2021 and 31st March, 2020 respectively.

The Company does not have any commodity forward contract for Commodity hedging.

The following table details the Company's sensitivity to a 5% movement in the input price of wire rod and zinc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% increase in commodity prices, there would be a comparable impact on profit or equity, and the balances below are negative.

Impact for a 5% change on the statement of profit and loss and equity

Particulars	Increase	Decrease
31st March, 2021		
Wire Rod	(3,202)	3,202
Zinc	(177)	177
31st March, 2020		
Wire Rod	(3,077)	3,077
Zinc	(179)	179

38 C. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury risks. Treasury derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies. The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities. The use of derivatives can give rise to credit and market risk. The Group tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

38 D. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and other equity. The Group's primary capital management objectives are to ensure its ability to continue as a going concern and to optimize the cost of capital in order to enhance value to shareholders.

The Group manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Group may pay dividend or repay debts, raise new debt or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. No major changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021 and 31st March, 2020 respectively. The Group includes within net debt, total borrowings less total cash as follows:

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The following table summarises the capital of the Group -

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents [refer note 12 (ii)]	9,946	9,732
Other bank balances [refer note 12 (iii)]	1,941	1,510
Total cash (a)	**11,887**	**11,242**
Non - current borrowings [refer note 16(i)]	23,739	30,518
Current borrowings [refer note 20 (i)]	18,557	23,326
Current maturities of long-term borrowings [refer note 20 (iv)]	6,365	4,068
Total borrowings (b)	**48,661**	**57,912**
Net debt (c = b-a)	**36,774**	**46,670**
Total equity attributable to equity shareholders of the parent	1,40,350	1,22,749
Total capital (equity + net debt) (d)	**1,77,124**	**1,69,419**
Gearing ratio (c/d)	**21%**	**28%**

39 (i) (a). The Company was allocated two coal blocks namely, Kathautia Coal Block and Lohari Coal Block in the State of Jharkhand for captive use. Pursuant to the Hon'ble Supreme Courts' order dated 24th September, 2014 followed by promulgation of the Coal Mines (Special Provisions) Act, 2015, (CMSP Act), the allocation of all coal blocks since 1993, including the aforesaid coal blocks allocated to the Company were cancelled with effect from 24th September, 2014 in case of Lohari Coal Block and 1st April, 2015 in the case of Kathautia Coal Block. Through the process of public auction as envisaged in the CMSP Act, the aforesaid Coal Blocks of the Company had been allocated to other successful bidders by the Central Government. Pursuant to conclusion of such auction, the Central Government had also issued vesting orders for Kathautia and Lohari Coal Blocks for transfer and vesting the Company's rights, title and interest in and over the land and mine infrastructure of the said coal blocks to the respective successful bidders.

At the year-end, the Company is carrying an aggregate amount of Rs. 1,314 lakhs (net of provision/impairment charge of Rs. 3,704 lakhs including Rs. 44 lakhs during the year) as assets held for sale/ advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. as follows:

	As at 31st March, 2021	As at 31st March, 2020
Assets held for sale #	1,131	1,131
Advances against land-coal mines under other non-current assets ##	-	-
Advances against land-coal mines under other financial assets ###	183	227
Total	**1,314**	**1,358**

Net of impairment Rs. 809 lakhs (31st March, 2020: Rs. 809 lakhs)
Net of impairment Rs. 2,851 lakhs (31st March, 2020: Rs. 2,851 lakhs)
Considered as non-current in current year [net of discounting of Rs. 44 lakhs (31st March, 2020: Rs. Nil)]

During the year ended 31st March, 2020, the Company had recovered Rs. 10,305 lakhs out of Rs. 10,532 lakhs where the Company had filed an application before Hon'ble Delhi High court in an earlier year and based on developments in the current year, the Company is confident of recovery of balance Rs. 227 lakhs (Rs. 183 lakhs after discounting). Further, the Company is also engaged in ongoing negotiations with the party to whom the aforesaid Coal Blocks were subsequently allotted for realization of compensation/investments in the mines. Land parcels aggregating Rs. 1,131 lakhs are in the process of being transferred in the name of the Company for which necessary proceedings before a Civil Court are ongoing pending completion due to pandemic. Management expects that such proceedings will be completed before end of next year and the Company will be able to transfer such land parcels to new allocatee for recovery of the agreed consideration. Accordingly, this has been disclosed as "Asset held for sale" as at 31st March 2021. After taking into consideration the reasons as stated above, management is of the opinion that the realizable value of aforesaid assets will not be less than their carrying values.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(b). The Company and Tata Steel Long Products Limited (TSLPL) have entered into agreements dated 14nd December, 2020 for transfer of property, plant & equipment of Wire Mill to TSLPL and transfer of Bright Bar assets to the Company respectively, in respect of which there will be no transfer of any additional consideration. Pending fulfilment of all condition precedents to these agreements, the control over the assets are yet to be exchanged. Consequently, such transfers have not been recognised in these consolidated Ind AS financial statements. Accordingly, the written down value of property, plant & equipment of Wire Mill amounting to Rs. 286 lakhs has been disclosed as "Assets held for sale" as at 31st March 2021.

39 (ii). Discontinued Operations

Pursuant to the Business Transfer Agreement dated 22th September, 2018 (Novation agreement on 24th October, 2018) and Supplemental Business Transfer Agreement dated 7th April 2019 and 3th July, 2019 respectively with Tata Steel Long Products Limited (TSLPL) [formerly known as Tata Sponge Iron Limited], the Company had transferred its Steel and Bright Bar Business (SBB Business) as a going concern on slump sale basis during the previous year in accordance with the terms and conditions set out in those agreements at a consideration of Rs. 452,500 lakhs subject to net working capital adjustments. Out of the aforesaid consideration, an amount of Rs. 16,000 lakhs are receivable as at the year-end that include Rs. 15,000 lakhs in respect of certain parcels of land for which perpetual lease and license agreements have been executed by the Company in favour of TSLPL pending completion of ongoing formalities for registration in the name of TSLPL. The Company and TSLPL are in the process of final settlement and reconciliation of net working capital and therefore impact of adjustment, if any, arising from such reconciliation which is not expected to be material shall be recognised at the time of release of above hold back amount.

The details of discontinued operations are as follows:

Particulars	Year ended 31st March, 2020
Consideration from TSLPL (net of acceptances Rs. 98,013 lakhs paid by TSLPL directly) [A]	3,08,286
Book value of fixed assets sold [B]	3,71,461
Net book value of non-current liabilities (net of other non-current assets) sold [C]	1,534
Net book value of current liabilities (net of current assets) sold [D]	1,34,396
Expenses pertaining to the disposal of the business [E]	17,103
Profit on disposal of SBB Business (discontinued operation) [F]=[A-B+C+D-E]	**55,652**

(I) The results of SBB for the year are presented below:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income		
Revenue from operations	-	6,523
Other income@	3,222	2,250
Total income	**3,222**	**8,773**
Expenses		
Cost of materials consumed	-	2,135
Changes in inventories of finished goods, work-in-progress and scrap/by-product	-	2,890
Employee benefits expense	-	786
Finance costs	-	1,826
Depreciation and amortisation expenses	-	572
Other expenses#	3,666	7,894
Total expenses	**3,666**	**16,103**
Profit /(loss) for the year from discontinued operations before profit on disposal of SBB Business	**(444)**	**(7,330)**
Profit on disposal of SBB Business (discontinued operations)	**-**	**55,652**
Profit / (loss) for the year before tax from discontinued operations	**(444)**	**48,322**
Tax expenses of discontinued operations	**-**	**-**
Profit / (loss) for the year from discontinued operations	**(444)**	**48,322**

@ Primarily includes liabilities / provisions no longer required written back pertaining to discontinued business

Primarily includes expenses incurred during the period/year in connection with recovery of dues / settlement of obligations pertaining to the assets / liabilities of the discontinued business and transfer of remaining assets to TSLPL, as mentioned above.

Management has not considered it necessary to separately disclose assets and liabilities of the erstwhile SBB business.

For disclosure on earnings per share from discontinued operations, refer note 32.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

40 GROUP INFORMATION

(a) The Group consists of parent company, Usha Martin Limited, incorporated in India and a number of subsidiaries and joint ventures held directly and indirectly by the Group which operate and are incorporated around the world. Following are the details of shareholdings in the subsidiaries and joint ventures.

	Principal place of business	% of equity interest as on 31st March, 2021	% of equity interest as on 31st March, 2020
Information about subsidiaries			
Domestic:			
UM Cables Limited	India	100%	100%
Usha Martin Power and Resources Limited	India	100%	100%
Bharat Minex Private Limited	India	100%	100%
Gustav Wolf Speciality Cords Limited	India	100%	100%
Overseas:			
Usha Martin International Limited (UMIL)	United Kingdom	100%	100%
Subsidiaries of UMIL			
Usha Martin UK Limited @	United Kingdom	100%	100%
European Management and Marine Corporation Limited @	United Kingdom	100%	100%
Brunton Shaw UK Limited @	United Kingdom	100%	100%
De Ruiter Staalkabel B.V. @	Netherlands	100%	100%
Usha Martin Europe B.V. @	Netherlands	100%	100%
Usha Martin Italia S.R.L. @	Italy	100%	100%
Brunton Wire Ropes FZCO. (BWR) [formerly known as Brunton Wolf Wire Ropes FZCO. (BWWR)](refer note below)	United Arab Emirates, Dubai	100%	60%
Usha Martin Americas Inc.	United States of America	100%	100%
Usha Siam Steel Industries Public Company Limited	Thailand	98%	98%
Usha Martin Singapore Pte. Limited (UMSPL)	Singapore	100%	100%
Subsidiaries of UMSPL			
Usha Martin Australia Pty Limited @	Australia	100%	100%
Usha Martin Vietnam Company Limited @	Vietnam	100%	100%
PT Usha Martin Indonesia @	Indonesia	100%	100%
Usha Martin China Company Limited @	China	100%	100%
Information about joint ventures			
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wirerope Company Limited*	Thailand	50%	50%

@ Represents step-down subsidiaries
* Represents step-down joint venture

The Board of Directors of Brunton Wire Ropes FZCO (BWR), a subsidiary of the Company, in their meeting held on 8th September, 2020 had approved the sale of 38 shares of AED 1 lac each by Gustav Wolf GmBH to Usha Martin Americas, a subsidiary of the Company, for an aggregate consideration of USD 18 lacs (Rs. 1,317 lakhs) and buy-back of 38 shares of BWWR from Klas International Limited for an aggregate amount of USD 20 lacs (Rs. 1,455 lakhs). BWR had entered into share purchase and joint venture termination agreement (SPJVTA) and buy-back agreement with aforesaid parties on 15nd July, 2020 and 12th August, 2020 respectively. Subsequently, on receipt of necessary regulatory approvals relating to transfer of shares, extinguishment formalities of the shares bought back and fulfilment of conditions precedents to above agreements, the aforesaid sale and buy back has been completed and consequent to which BWR has become a wholly owned subsidiary of the Company.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

(b) Non - controlling interests

The non-controlling interests of the Group relate to the following:

Non - controlling interests	Principal place of business	% of ownership interest as on 31st March, 2021	% of ownership interest as on 31st March, 2020
Brunton Wire Ropes FZCO. (BWR)	United Arab Emirates, Dubai	-	40%
Usha Siam Steel Industries Public Company Limited	Thailand	2%	2%

The table below shows summarised financial information of subsidiary of the Group, Brunton Wire Ropes FZCO, that has non-controlling interest and is material to the Group as on 31st March, 2020. In the opinion of the management, no non-controlling interests are material to the Group as on 31st March, 2021.

Particulars	As at 31st March, 2020
Non-current assets	1,544
Current assets	13,666
Non-current liabilities	561
Current liabilities	5,998
Equity attributable to owners of the Company	6,762
Non-controlling interests	1,889

Particulars	For the year ended 31st March, 2020
Revenue	16,299
Expenses	15,053
Profit/(loss) after tax	1,246
Profit/(loss) attributable to the equity shareholders	725
Profit/(loss) attributable to the non-controlling interest	521
Other comprehensive income during the year	(35)
Other comprehensive income attributable to the equity shareholders	(21)
Other comprehensive income attributable to the non-controlling interest	(14)
Total comprehensive income during the year	1,211
Total comprehensive income attributable to the equity shareholders	704
Total comprehensive income attributable to the non-controlling interest	507
Dividends paid/payable to non-controlling interests, including dividend tax	-

(c) Interest in joint ventures

Set out below are the joint ventures of the group as at 31st March, 2021. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Joint ventures	Principal place of business	% of equity interest as on 31st March, 2021	% of equity interest as on 31st March, 2020
Pengg Usha Martin Wires Private Limited	India	40%	40%
CCL Usha Martin Stressing Systems Limited	India	50%	50%
Tesac Usha Wirerope Company Limited*	Thailand	50%	50%

* Represents step-down joint venture

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The table below shows summarised financial information of joint venture of the Group, Pengg Usha Martin Wires Private Limited, that is material to the Group. In the opinion of the management, other joint ventures are not material to the Group.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current assets	5,935	6,282
Current assets	6,554	5,382
Non-current liabilities	1,786	2,288
Current liabilities	3,347	2,934
Equity attributable to owners of the Group	7,356	6,441

Particulars	For the year ended March 2021	For the year ended March 2020
Total Income	11,393	11,577
Total Expenses	9,827	10,637
Profit/(loss) after tax	1,209	774
Other comprehensive income during the year	7	(13)
Total comprehensive income during the year	1,216	761

41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT 2006 (MSMED)

Particulars	As at 31st March, 2021	As at 31st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
i) Principal amount due to micro and small enterprise	243	307
ii) Interest due on above	-	2
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	1
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	5	11
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil

The above particulars, as applicable, have been given in respect of MSMEs to the extent they could be identified on the basis of information available with the Group.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

42. PURSUANT TO THE REQUIREMENT OF SCHEDULE III OF COMPANIES ACT, 2013, ADDITIONAL INFORMATION OF THE GROUP CONSIDERED IN PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS ARE SET OUT BELOW:

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Usha Martin Limited	**50.77**	**71,436**	**65.35**	**10,052**	**(8.32)**	**(157)**	**57.72**	**9,895**
	48.64	61,540	92.90	39,540	(44.63)	(1,095)	85.92	38,445
Subsidiaries								
Indian								
UM Cables Limited	**1.54**	**2,160**	**1.84**	**278**	**(0.32)**	**(6)**	**1.61**	**272**
	1.49	1,889	(2.58)	(1,092)	(1.43)	(35)	(2.52)	(1,127)
Usha Martin Power and Resources Limited	*	**2**	*	*	-	-	*	*
	*	2	*	*	-	-	*	*
Bharat Minex Private Limited	-	**(1)**	*	**(2)**	-	-	**(0.01)**	**(2)**
	-	-	*	(4)	-	-	(0.01)	(4)
Gustav Wolf Speciality Cords Limited	**0.18**	**260**	**0.04**	**6**	-	-	**0.04**	**6**
	0.20	254	0.03	14	-	-	0.03	14
Foreign								
Usha Martin International Limited$	**30.34**	**42,692**	**22.31**	**3,383**	-	-	**19.83**	**3,383**
	29.85	37,762	5.71	2,411	-	-	5.39	2,411
Usha Martin Singapore Pte Limited$	**6.27**	**8,822**	**4.78**	**725**	-	-	**4.24**	**725**
	6.28	7,950	1.82	771	-	-	1.72	771
Usha Siam Steel Industries Public Company Limited	**11.62**	**16,354**	**0.77**	**116**	-	-	**0.67**	**116**
	12.69	16,060	1.02	429	(0.92)	(23)	0.90	406
Usha Martin Americas Inc	**3.41**	**4,796**	**0.41**	**63**	-	-	**0.36**	**63**
	3.80	4,813	2.20	932	-	-	2.08	932
Brunton Wire Ropes FZCO (BWR)	**5.20**	**7,310**	**2.32**	**353**	**(9.37)**	**(177)**	**1.02**	**176**
	6.84	8,651	2.95	1,246	(1.43)	(35)	2.71	1,211
Non-controlling interests in all subsidiaries	**(0.25)**	**(357)**	**1.26**	**191**	**0.42**	**(8)**	**1.07**	**183**
	(2.98)	(3,777)	0.53	224	0.57	(14)	0.47	210
Joint ventures (investment accounting as per the equity method)								
Indian								
Pengg Usha Martin Wires Private Limited	**2.09**	**2,944**	**2.41**	**367**	-	-	**2.14**	**367**
	2.04	2,577	0.37	162	-	-	0.35	162
CCL Usha Martin Stressing Systems Limited	**0.03**	**46**	**0.02**	**2**	-	-	**0.01**	**2**
	0.03	44	0.01	2	-	-	-	2
Foreign								
Tesac Usha Wirerope Company Limited#	**1.32**	**1,855**	**0.59**	**90**	-	-	**0.53**	**90**
	1.38	1,741	(0.29)	(121)	-	-	(0.27)	(121)
Elimination / adjustment due to consolidation	**(12.52)**	**(17,612)**	**(3.14)**	**(476)**	**117.11**	**2,238**	**10.35**	**1,762**
	(10.26)	(12,981)	(5.72)	(2,407)	147.55	3,656	2.81	1,249
Total	**100**	**1,40,707**	**100**	**15,150**	**100**	**1,890**	**100**	**17,040**
	100	1,26,526	100	42,108	100	2,454	100	44,562

* Amount is below the rounding off norm adopted by the Group.

\# Represents step-down join venture

$ Financial information is inclusive of its subsidiaries

Figures in normal type relate to previous year 2019-20.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

43. a) The Directorate of Enforcement, Patna ("ED") had issued an order dated 9th August, 2019 under the provisions of Prevention of Money Laundering Act, 2002 (PMLA) to provisionally attach certain parcels of land at Ranchi, State of Jharkhand being used by the Company for its business for a period of 180 days in connection with export and domestic sale of iron ore fines in prior years aggregating Rs. 19,037 lakhs allegedly in contravention of terms of the mining lease granted to the Company for the iron ore mines situated at Ghatkuri, Jharkhand. The Hon'ble High Court of Jharkhand at Ranchi had, vide its order dated February 14, 2012, held that the Company has the right to sell the iron ore including fines as per the terms of the mining lease which was in place at that point in time. The Company had paid applicable royalty and had made necessary disclosures in its returns and reports submitted to mining authorities. In response to the provisional attachment order, the Company had submitted its reply before the Adjudicating Authority (AA). Subsequently, AA had issued an order by way of which the provisional attachment was confirmed under Section 8(3) of PMLA. Thereafter, the Company filed an appeal before the Appellate Tribunal, New Delhi and successfully obtained a status quo order from the Tribunal on the confirmed attachment order till the next date of hearing which is now fixed on 24th May, 2021. During the year, the ED had filed a complaint before a sessions court in Patna against the Company and one of its officers. Taking cognizance of the said complaint under applicable provisions of the PMLA, the District and Sessions Court cum Special Judge (ED), ('Trial Court') directed that summons be issued to the Company. Subsequent to year end, on petitions being filed by the Company before the Hon'ble High Court of Patna, the said order taking cognizance of the complaint passed by the Trial Court has been set aside for want of proper jurisdiction and ED has been granted the liberty to file a complaint before an appropriate Court having adequate jurisdiction to try this matter. In fact, the Hon'ble High Court of Patna has directed that the entire complaint be returned to the prosecution agency. The ongoing operations of the Company have not been affected by the aforesaid proceedings. Supported by a legal opinion obtained, management believes that the Company has a strong case in its favour on merit and law. Accordingly, no adjustment to these financial statements in this regard have been considered necessary by the management.

b) On 2nd October, 2020, Central Bureau of Investigation (CBI) has filed a First Information Report (FIR) against the Company, its Managing Director and certain other Officers under the Prevention of Corruption Act, 1988 and the Indian Penal Code, 1860 for allegedly trying to influence ongoing CBI investigation pertaining to the above proceedings. The Company strongly refutes the aforesaid allegations made by the CBI. The matter is under investigation and the designated CBI Court has not taken cognizance of the interim charge sheet filed by the CBI due to lack of sanction which is awaited. The Company has been providing information sought by the CBI in this regard. The Company intends to take such legal measures as may be considered necessary based on the outcome of the ongoing investigation. Supported by a legal opinion obtained, management believes that the Company has a strong case on merit and law.

44. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the period were also impacted due to COVID-19. In many countries, businesses were being forced to cease or limit their operations for long or indefinite period of time. Measures have been taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services which has triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations of their businesses.

The COVID-19 pandemic and its disruption of industrial production have impacted wire and wire ropes production in certain markets including Thailand. The Group's component in that geography has, however, been able to manage the challenges faced by it due to the pandemic and hence, businesses have continued to operate at normal capacities. The Board of Directors of the Group's Thailand component has made an initial assessment, based on the current situation, of the likely impact of the pandemic on overall economic environment and wire and wire-ropes industry, in particular, based on which it expects the wire and wire-ropes demand to stabilize in due course. Based on projections of the component's performance and a strong cash position, the Board does not anticipate any challenge in the component's ability to continue as a going concern or meeting its financial obligations. The component has additionally, on a prudent basis, assessed existence of any indication of impairment of carrying values of property, plant and equipment at the year-end in accordance with the requirements of Ind AS 36 – Impairment of Assets and concluded that no indications of impairment exist as at the reporting date.

NOTES

to the consolidated financial statements as at and for the year ended 31st March, 2021

(All amounts in Rs. lakhs unless stated otherwise)

The Group has taken into account the possible impact of COVID-19, including its assessment of recoverability of the carrying value of property, plant and equipment, investments and deferred tax assets based on internal and external information upto the date of approval of these audited consolidated financial statements and current indicators of future economic conditions. Further, management has assessed its liquidity position as on 31st March 2021 and does not anticipate any challenge in the Group's ability to continue as a going concern. The impact of the pandemic may be different from that as estimated as at the date of approval of these consolidated financial statements and the management continues to closely monitor any material changes to future economic conditions.

45. The Board of Directors of the Company at its meeting held on 20th May, 2021, has approved the scheme of arrangement for capital reduction and reorganisation pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013. The scheme will be given effect to on receipt of requisite approvals.

46. Previous year's figures have been regrouped / rearranged wherever necessary, to conform to current year's presentation.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration number: 301003E/E300005

per **Bhaswar Sarkar**
Partner
Membership No.: 055596

For and on behalf of Board of Directors of Usha Martin Limited

Rajeev Jhawar	**Dhrub Jyoti Basu**	**Anirban Sanyal**	**Shampa Ghosh Ray**
Managing Director	Whole Time Director	Chief Financial Officer	Company Secretary
DIN: 00086164	DIN: 02498037		ACS: 16737

Place: Kolkata
Date: 20th May, 2021

NOTICE TO THE SHAREHOLDERS

USHA MARTIN LIMITED
CIN: L31400WB1986PLC091621
Registered Office: 2A, Shakespeare Sarani, Kolkata – 700 071, India
Phone: 033- 71006300, Fax: 033-71006415
Website: www.ushamartin.com, Email: investor@ushamartin.co.in

NOTICE is hereby given that the THIRTY-FIFTH ANNUAL GENERAL MEETING of the members and shareholders of USHA MARTIN LIMITED will be held on Wednesday, the 11th day of August 2021 at 11:30 A.M. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact following business:

ORDINARY BUSINESS:

1. Proposed to be passed as an Ordinary Resolution

   To receive and adopt the Financial Statements of the Company (both standalone and consolidated) for the year ended 31st March, 2021 together with Directors' and Auditors' Reports thereon.

2. Proposed to be passed as an Ordinary Resolution

   To appoint a Director in place of Mr. Dhrub Jyoti Basu [DIN: 02498037], who retires by rotation and being eligible, offers himself for re-appointment.

3. To consider and, if thought fit, pass the following as an Ordinary Resolution

   "**RESOLVED THAT** pursuant to Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, Messrs. S.R. Batliboi & Co. LLP Chartered Accountants, (Firm Registration No. 301003E/E300005), be and are hereby re-appointed as Statutory Auditors of the Company for second term of 5 (five) years, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Fortieth AGM at a remuneration of Rs. 42 Lakh plus applicable taxes thereon and out of pocket expenses for the Financial Year ending 31st March, 2022."

SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

4. As an Ordinary Resolution

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Rules made thereunder and read with Schedule V of the said Act (including any statutory modification(s) or re - enactments thereof, for the time being in force) and in terms of the recommendations of the Nomination & Remuneration Committee ("Committee") and as approved by Board of Directors ("Board") and subject to such approvals if any, as may be necessary, approval is hereby accorded for payment of remuneration of Rs. 1.24 Crore per annum to Mr. Rajeev Jhawar, Managing Director [DIN: 00086164] for the period commencing from 19th May 2021 to 18th May 2023 (both days inclusive) with liberty to the Board / Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Jhawar within such overall ceiling."

   "**FURTHER RESOLVED THAT** during the aforementioned tenure of Mr. Rajeev Jhawar's appointment as Managing Director of the Company, if the Company incurs a loss or its profits are inadequate, subject to the other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof) and subject to such approvals if any, as may be required, consent of the Company be and is hereby accorded to pay Mr. Jhawar, the above remuneration including perquisites as minimum remuneration (computed with reference to the effective capital of the Company as on the preceding financial year in accordance with the Act) and that Board of the Company be and is hereby empowered to decide remuneration of any amount and other retirement or other benefits or components as may be recommended by the Committee, within such overall ceiling."

   "**FURTHER RESOLVED THAT** the Board of Directors (including any Committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be proper or necessary to give effect to this resolution."

5. As an Ordinary Resolution

   "**RESOLVED THAT** pursuant to the provisions of Sections 152 and 160 of the Companies Act 2013 ("the Act") and on recommendation of the Nomination & Remuneration Committee and as approved by the Board of Directors, Mr. Devadip Bhowmik [DIN: 08656505] who was inducted in the Board as an Additional Director (Whole-Time) of the Company on 15th March 2021 to hold office upto this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160(1)

NOTICE TO THE SHAREHOLDERS

of the Act from a Member signifying his intention to propose Mr. Bhowmik's candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

"**FURTHER RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Rules made thereunder and read with Schedule V to the said Act (including any statutory modification(s) or re - enactments thereof, for the time being in force) and in terms of the recommendation of the Nomination & Remuneration Committee ("Committee") and as approved by Board of Directors ("Board"), and subject to such approvals if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Devadip Bhowmik [DIN:08656505] as Whole Time Director of the Company for a term of five years effective from 15th March 2021 to 14th March 2026 and at a remuneration of an amount not exceeding Rs. 1.24 Crore per annum for the period from 15th March 2021 to 14th March 2024, with liberty to the Board / Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board and Mr. Bhowmik within such overall ceiling."

"**FURTHER RESOLVED THAT** during the aforementioned tenure of Mr. Devadip Bhowmik's appointment as Whole Time Director of the Company, if the Company incurs a loss or its profits are inadequate, subject to other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof) and subject to such approvals if any, as may be required, consent of the Company be and is hereby accorded to pay Mr. Bhowmik, the above remuneration including perquisites as 'minimum remuneration' (computed with reference to the 'effective capital' of the Company as on the preceding financial year in accordance with the Act) and that the Board of the Company be and is hereby empowered to decide remuneration of any amount and other retirement or other benefits or components as may be recommended by the Committee, within such overall ceiling."

"**FURTHER RESOLVED THAT** the Board of Directors (including any Committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be proper or necessary to give effect to this resolution."

6. As an Ordinary Resolution

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 1,50,000 per annum (plus taxes as applicable and reimbursement of actual out of pocket expenses) payable to M/s Mani & Co., Cost Auditors for conducting the cost audit of the Company's units as may be required under the Act and Rules made thereunder for the Financial Year ending 31st March, 2022, be and is hereby ratified and confirmed."

By Order of the Board

Shampa Ghosh Ray
Company Secretary
ACS 16737

Place : Kolkata
Date : 20th May, 2021

NOTES:

1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated 5th May 2020 read with General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020 and 02/2021 dated 13th January 2021 respectively (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 (collectively referred to as 'SEBI Circulars') have permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, participation in the AGM through VC / OAVM facility and e-voting during the AGM. The Registered Office of the Company situated at 2A, Shakespeare Sarani, Kolkata – 700071 shall be deemed to be the venue of the Meeting.

2) **Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM.** Institutional/ Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorised representatives in terms of Section 113 of the Act to attend the AGM through VC/OAVM and participate thereat and cast their votes through remote e-voting or e-voting during the AGM.

3) The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Act.

4) Since the meeting is being held through VC/OAVM, the route map, proxy form and attendance slip are not annexed to the notice.

5) The Explanatory Statement pursuant to Section 102 of the Act setting out details relating to Items of Special Business is annexed hereto.

6) The Registers of Members and Share Transfer Books of the Company shall remain closed from 5th August 2021 till 11th August 2021 (both days inclusive).

7) a) The shareholders of the Company are informed that the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund ["the Fund"] constituted by the Central Government and the shareholder(s) would be able to claim any amount of the dividend so transferred to the Fund. All dividend declared for and upto the Financial Year ended 31st March, 2013 have been transferred to the Fund. No dividend was declared by the Company after 31st March, 2013 and therefore no amount shall be deposited in the Fund.

   b) The shareholders who have not encashed their earlier dividend warrants are requested to apply online to the Investor Education and Protection Fund Authority for claiming unpaid dividends declared by the Company.

8) a) Pursuant to the relevant provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, all shares in respect of which dividend has not been paid or claimed by the shareholder for seven consecutive years or more, the Company is required to transfer such Equity Shares of the members to the demat account of the Investor Education and Protection Fund ('IEPF') Authority. The Company had sent necessary communication to all Shareholders concerned and had also published notices in newspapers in this regard. The Company has also uploaded full details of such shareholders, whose dividend remained unclaimed on its website www.ushamartin.com. The Company will do the needful in connection with transfer of such shares to the demat account of IEPF Authority, as required.

   b) However, the members/ claimants whose shares and/ or dividends, if any, have been transferred to the Fund may claim the shares or apply for refund by making an online application to IEPF Authority in Form IEPF-5 (available on iepf.gov.in).

9) Members holding shares in more than one folio are requested to write to the Company's Registrar & Transfer Agent, namely, MCS Share Transfer Agent Limited, 1st Floor, 383, Lake Gardens, Kolkata–700045 for consolidation of holding into one folio and also send the relevant Share Certificates for this purpose.

10) As per RBI notification, with effect from 1st October 2009, the remittance of money through ECS was replaced by National Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS Platform. Shareholders holding shares in electronic form are requested to furnish to your Depository Participant the new bank account number

NOTICE TO THE SHAREHOLDERS

as allotted to you by the Bank after implementation of its Core Banking Solutions along with a photocopy of a cheque pertaining to the concerned bank account.

11) As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Members of the Company who hold securities in physical form and intend to transfer their securities after 1st April 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. In view of the same and to avail the in-built advantages of NECS payment, nomination facility and other advantages, the shareholders are requested to dematerialize their shares. The ISIN of the Company is INE228A01035.

12) SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, in accordance with SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018, all Members holding shares in physical form are requested to register their PAN and bank account details by submitting their self-attested copy PAN Card (including that of the joint holders also) and an original cancelled cheque or submit copy of bank passbook /statement of the holder attested by the bank to MCS Share Transfer Agent Limited (Unit: Usha Martin Limited), 383, Lake Gardens, 1st Floor, Kolkata - 700045, the Registrar and Share Transfer Agent (RTA) of the Company.

13) In accordance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1 /CIR/P/2020/79 dated 12th May 2020 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 and owing to the difficulties involved in dispatching of physical copies of Annual Report to the members, electronic copy of the Annual Report for 2020-21 is being sent to all members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose. Members may note that the Notice convening the AGM and Annual Report 2020-21 will also be available on the Company's website at www.ushamartin.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at https://www.evoting.nsdl.com.

14) Electronic copy of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent to all Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes. For Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email address by writing to investor@ushamartin.co.in to receive Annual Report. Members holding shares in dematerialized mode and who have not registered their email address are requested to update their email address with the relevant depository participant to receive Annual Report.

15) The Notice of the 35th Annual General Meeting and the Annual Report for 2020-21 will be available on the Company's website www.ushamartin.com. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and all the relevant documents (if applicable) pertaining to the resolutions proposed vide this notice of AGM will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to investor@ushamartin.co.in.

16) (a) As per the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India and Regulation 44(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting (Electronic Voting) facility to its Members to cast their votes electronically on all Resolutions set forth in this Notice convening the 35th Annual General Meeting. Members attending the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

(b) The Company has engaged the services of National Securities Depository Limited ("NSDL") as the authorised agency to provide remote e-voting and e-voting during the AGM facilities as specified more fully in the instructions thereunder.

(c) The items of business set out in the attached Notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.

(d) Members who have not cast their votes through remote e-voting may attend and cast their votes at the Annual General Meeting through the e-voting system.

(e) Members who have cast their votes through remote e-voting prior to the Meeting may attend the meeting but shall not be entitled to cast their vote again.

17) A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **"cut-off date" i.e. 4th August 2021** shall be entitled to avail the facility of either remote e-voting or voting at the Annual General Meeting through e-voting. A Person who is not a Member on the cut-off date should treat this Notice for information purpose only.

18) Instructions for members for attending the AGM through VC/OAVM are as under:

i. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General Meeting" menu against the Company's name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

ii. Members are encouraged to join the Meeting through laptops or desktops for better experience.

iii. Members will be required to allow camera and use internet connection with good speed to avoid any disturbance during the meeting.

iv. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, email id, mobile number at investor@ushamartin.co.in. The Speaker Registration will be open during 2nd August 2021 to 4th August 2021.

vi. Shareholders who would like to express their views/have questions may send their questions at least five days in advance before the date of AGM i.e. by 6th August 2021 mentioning their name, demat account number/folio number, email id, mobile number at investor@ushamartin.co.in. The same will be replied by the Company suitably.

vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. However, the Company reserves the right to restrict the number of questions and number of speakers depending upon availability of time as appropriate for smooth conduct of the AGM.

viii. Infrastructure, connectivity and internet connection speed available at the speaker's location are essential to ensure smooth interaction. In the interest of time, each speaker is requested to express his / her views in 2-3 minutes.

19) For those Members opting for remote e-voting, the process and manner of remote e-voting will be as follows:

The remote e-voting period begins from **9.00 A.M. on 8th August 2021** and ends at **5.00 P.M. on 10th August 2021**. During this period, Members of the Company, holding Shares either in physical form or in de-materialised form, as on the **cut-off date ("record date") i.e. 4th August 2021**, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. The facility for e-voting shall be made available at the AGM to the Members as on the **"cut-off date"** i.e. **record date**, attending the Meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the Meeting.

NOTICE TO THE SHAREHOLDERS

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

I. Step 1:- Access to NSDL e-Voting system and joining virtual meeting

a). Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode is given below:

Shareholding in Demat Form with NSDL	Shareholding in Demat Form with CDSL	Individual Shareholders (holding securities in demat mode) login through their depository participants
(i) NSDL IDeAS facility: Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. (ii) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Thereafter, please follow the steps mentioned in point (i) above for login. (iii) Evoting Website of NSDL: Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.	(i) Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. (ii) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on NSDL to cast your vote. (iii) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. (iv) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting Service Provider (ESP) i.e. **NSDL** where the e-Voting is in progress.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Dedicated helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Depository	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

b) Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

(ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders/Member' section.

(iii) A new screen will open. Please enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to 19(II) i.e. Cast your vote electronically.

(iv) Your User ID details are given below:

	Shareholding in Demat Form with		
	NSDL	**CDSL**	**Shareholding in Physical form**
User ID	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

(v) Password details for shareholders other than Individual shareholders are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

(i) If your email ID is registered in your Demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

d. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

(i) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

(ii) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

(iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

(iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

NOTICE TO THE SHAREHOLDERS

e. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

f. Now, you will have to click on "Login" button.

g. After you click on the "Login" button, Home page of e-Voting will open.

II. Step 2:- Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

(i) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting(s) is in active status.

(ii) Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

(iii) Select "EVEN" of Company for which you wish to cast your vote.

(iv) Now you are ready for e-Voting as the Voting page opens.

(v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

(vi) Upon confirmation, the message "Vote cast successfully" will be displayed.

(vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

(viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Instruction for voting electronically using NSDL e-Voting system on the day of AGM

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(ii) Only those Members who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

(iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for shareholders

(i) Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.

(ii) In case of joint holders joining the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

(iii) Members are requested to participate on first come first serve basis, as participation through VC/OAVM is limited. Participation is restricted upto 1000 members only. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and the same shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.

(iv) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(v) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for remote e-voting or e-voting at the AGM, please contact Mr. Amit Vishal, Senior Manager and / or Ms. Pallavi Mhate, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013, Email: evoting@nsdl.co.in/pallavid@nsdl.co.in, Further queries relating to voting by electronic means or Resolutions proposed to be passed at the ensuing Annual General Meeting (AGM) may be addressed to the Company Secretary at email: investor@ushamartin.co.in

20) Members whose email addresses are not registered with the depositories for procuring User ID and Password and registration of e-mail address for e-voting for the resolutions set out in this notice:

(i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to Registrar & Transfer Agent i.e. MCS Share Transfer Agent Limited at mcssta@rediffmail.com.

(ii) In case shares are held in demat mode, please register/ update email address with Depository Participant.

(iii) Members may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing their DPID and Client ID (16 digit DPID and CLID or 16 digit beneficiary ID).

(iv) In accordance with SEBI circular dated 9th December, 2020 on e-Voting facility provided, individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account held with respective Depository Participant in order to access e-Voting facility.

21) Any person holding shares in physical form and non-individual shareholders, who acquire shares and become a Member of the Company after sending of Notice for the AGM through email and is holding shares as on the cut-off date i.e. 4th August 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or investor@ ushamartin.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. Further in case of individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 4th August 2021 may follow steps mentioned in Step 1: "Access to NSDL e-Voting system and joining virtual meeting" above.

22) The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, Practicing Company Secretary (FCS-4848/CP-3238) of M/s A K Labh & Co., Company Secretaries, Kolkata as Scrutinizer to scrutinize the e-voting at AGM and remote e-voting process in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for the said purpose.

23) Voting rights of Members shall be in proportion to their shares in Company's Paid-up Equity Capital as on the cut-off date.

24) The Chairman shall, at the end of discussion on the Resolutions on which voting are to be held, allow voting by e-voting system by NSDL at the AGM.

25) The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting unblock the votes cast through remote e-voting and e-voting at the AGM.

26) The Scrutinizer will not later than two working days of conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the Chairman or the Managing Director or the Whole Time Director. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company www.ushamartin.com and on the website of NSDL www.evoting.nsdl.com. The results shall simultaneously be communicated to the Stock Exchanges and displayed on the Notice Board of the Company at the Registered Office at 2A, Shakespeare Sarani, Kolkata – 700 071.

27) On receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.

28) Members who need assistance before or during the AGM for participation in the AGM through VC/OAVM may contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

29) Pursuant to the requirements of Regulations 17 (1A) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended] and Secretarial Standard

NOTICE TO THE SHAREHOLDERS

on General Meeting (SS-2), information about the Directors and justification for proposed re-appointment / appointment are given below:

<table>
<tr><th>Name of the Director</th><th colspan="2">Mr. Dhrub Jyoti Basu</th><th colspan="2">Mr. Devadip Bhowmik</th></tr>
<tr><td>Director Identification Number</td><td colspan="2">02498037</td><td colspan="2">08656505</td></tr>
<tr><td>Date of joining the Board</td><td colspan="2">6^{th} June, 2020</td><td colspan="2">15^{th} March, 2021</td></tr>
<tr><td>Profile of Director / Brief resume of the Director (including nature of his expertise) and justification under Regulation 17 (1A) for the proposal for his re-appointment, where applicable.</td><td colspan="2">Mr. Dhrub Jyoti Basu, aged about 62 years is a B.Sc. (Hons.) and a PGD in Personnel Management & Industrial Relations. With over four decades of experience in human resource development and industrial relations he has in the past been associated with companies like GKW Ltd., Lafarge India Ltd. and BOC. Mr. Basu has been associated with the Usha Martin group for nearly two decades.</td><td colspan="2">Mr. Devadip Bhowmik, aged about 57 years is a Science Graduate and an Electrical Engineer. He has nearly three decades of corporate experience in marketing, project implementation, brand building and business development with in depth knowledge of sales and service and client relationship management. In the past he has been associated with various organizations like Fouress Engineering and Bells Controls Limited. He joined the Usha Martin group in 1999 and traversed various roles in India and abroad within the group. Over the years he has passionately contributed to the growth and development of the Company</td></tr>
<tr><td>Disclosure of relationships between directors inter-se and interest in the said resolution</td><td colspan="2">Mr. Basu is not related to any of the Directors and Key Managerial Personnel of the Company.

Further except Mr. Basu and his family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 2 of the Notice.</td><td colspan="2">Mr. Bhowmik is not related to any of the Directors and Key Managerial Personnel of the Company.

Further except Mr. Bhowmik and his family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 5 of the Notice.</td></tr>
<tr><td>No. of shares held in the Company</td><td colspan="2">NIL (as on 31^{st} March, 2021 and as on 20^{th} May 2021)</td><td colspan="2">NIL (as on 31^{st} March, 2021 and as on 20^{th} May 2021)</td></tr>
<tr><td rowspan="7">Directorship / Committee Membership / Chairmanship in other Companies</td><td>Directorship in other Companies</td><td>Committee position held</td><td>Directorship in other Companies</td><td>Committee position held</td></tr>
<tr><td>Bharat Minex Private Limited</td><td>-</td><td rowspan="6">Usha Martin Power & Resources Limited</td><td rowspan="6">–</td></tr>
<tr><td>Neutral Publishing House Ltd.</td><td>-</td></tr>
<tr><td>Gustav Wolf Speciality Cords Limited</td><td>-</td></tr>
<tr><td>CCL Usha Martin Stressing Systems Limited</td><td>-</td></tr>
<tr><td>Usha Martin Power & Resources Limited</td><td>-</td></tr>
<tr><td>U M Cables Limited</td><td></td></tr>
<tr><td>Remuneration</td><td colspan="2">An amount not exceeding Rs. 1 Crore per annum for the period commencing from 6^{th} June, 2020 till 5^{th} June, 2023 will be paid to Mr. D J Basu as approved members' resolution dated 23^{rd} September, 2020 at 34^{th} Annual General Meeting.</td><td colspan="2">An amount not exceeding Rs. 1.24 Crore per annum for the period commencing from 15^{th} March 2021 till 14^{th} March 2024 is proposed to be paid to Mr. Bhowmik. This amount includes his entitlement of:

(i) annual increment (ii) annual performance incentive not exceeding 25% of his annual CTC, during the tenure.</td></tr>
<tr><td>Number of Meetings of the Board attended during the Financial Year 2020-21</td><td colspan="2">Mr. Basu has attended all 5 (five) Board Meetings during the Financial Year 2020-21.</td><td colspan="2">Mr. Bhowmik has attended 1 (one) Board Meeting during his tenure in Financial Year 2020-21. He joined the Board on 15^{th} March 2021.</td></tr>
</table>

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

ITEM NO. 3

The Members of the Company at the 30th Annual General Meeting ('AGM') held on 9th August 2016 approved the appointment of Messrs. S R Batliboi & Co LLP, Chartered Accountants ('SRB'), as the Auditors of the Company for a period of five years from the conclusion of the said AGM. SRB will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of SRB for conducting the audit for the Financial Year 2020-21 is Rs 42 Lakhs plus applicable taxes and reimbursement of out-of-pocket expenses incurred.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Messrs. S R Batliboi & Co LLP, Chartered Accountants ('SRB'), as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 40th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of SRB for the Financial Year 2021-22 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge, audit team etc., and found SRB to be best suited to handle the scale and complexity associated with the audit of the financial statements of the Company.

SRB was established in the year 1949 and is a limited liability partnership firm. It has Head Office in Kolkata and branch offices in various cities in India. SRB is part of S.R. Batliboi & Affiliates network of audit firms and is registered as such with the Institute of Chartered Accountants of India. SRB is engaged primarily in providing audit and assurance services, and certain tax assurance services to clients

SRB have given their consent to act as the Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Board recommends the Ordinary Resolution as set out at Item No. 3 of this Notice for approval of members.

No Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 3 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

ITEM NO. 4

Mr. Rajeev Jhawar [DIN: 00086164] in accordance with provisions of the Companies Act, 2013 and Rules made thereunder, had been re-appointed as Managing Director of the Company

- for a term of 5 (five) years with effect from 19th May 2018 to 18th May 2023;
- at a remuneration of upto Rs. 1.48 Crore per annum (basis the Effective Capital as on 31st March, 2017) for a term of upto 3 (three) years with effect from 19th May 2018 to 18th May 2021.

The shareholders approved the above at the Annual General Meeting held on 18th September 2018.

In line with the requirements of Companies Act 2013 ("the Act") and Rules made thereunder, since the approval for payment of remuneration to Managing Director was valid till 18th May 2021, the Board upon recommendation of the Nomination and Remuneration Committee approved a remuneration of Rs. 1.24 Crore per annum for his remaining tenure from 19th May 2021 till 18th May 2023 subject to necessary approval of the shareholders on the following broad terms:

a) Period of payment of remuneration: From 19th May 2021 to 18th May 2023;

b) Basic Salary & Allowances including the value of the following perquisites shall not exceed the consolidated amount of upto Rs. 1.24 Crore per annum:
   i) Residential Accommodation : Free furnished residential accommodation;
   ii) Car : Chauffeur driven car/(s) to be provided and maintained by the Company;
   iii) Communication facility : Telephone and other communication facilities;
   iv) Club fees : 4 (four) clubs; and
   v) Medical Expenses : To be reimbursed as per actuals

c) Leave : As per the Rules of the Company;

d) The retiral benefits in the nature of Company's contribution towards Provident Fund, Superannuation and Gratuity shall be as per Rules of the Company. The aggregate of these shall be over and above the limit specified in (b) above;

e) No fees shall be payable for attending meetings of the Board or any Committee thereof, where so appointed;

NOTICE TO THE SHAREHOLDERS

f) The aggregate of the remuneration mentioned under (b) above (excluding contributions to provident fund, superannuation fund and gratuity) shall not exceed the maximum amount of remuneration of upto Rs. 1.24 Crore per annum which is within the overall limit computed in accordance with Part II of Section II of Schedule V of the Act with reference to the 'effective capital' of the Company as on 31st March 2020;

g) In the event of loss/inadequacy of profits during his tenure, the above remuneration including perquisites shall be payable as 'minimum remuneration' (computed with reference to the 'effective capital' of the Company as on the preceding financial year), subject to such approvals as may be necessary including that of shareholders of the company under Schedule V to the Act.

The remuneration payable to Mr. Rajeev Jhawar for the period 19th May 2021 to 18th May 2023 requires approval by the Members of the Company in the General Meeting. The remuneration for the aforementioned period satisfies the applicable provisions of the Act and conditions laid down in Schedule V to the Act. The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 for approval of members.

Other than Mr. Jhawar and his family members, no other Director or Key Managerial Personnel of the Company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 4 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other company.

Information required to be disclosed under the Second Proviso to Section-II(B), Part-II of Schedule V of the Act are as follows:

(i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee and the Board;

(ii) The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the Company before obtaining the approval from the Members;

(iii) Consent of the Members through an Ordinary Resolution is being sought for remuneration paid for a period commencing from 19th May 2021 to 18th May 2023;

(iv) a statement containing further information is set out hereunder:

I. General Information:

i. Nature of industry:
The Company is principally engaged in the businesses of: (a) manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.; and (b) manufacture and sale of wire drawing and allied machines.

ii. Date or expected date of commencement of commercial production:
The Company is in operation since the year 1986.

iii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not applicable

iv. Financial performance based on given indicators:

(Rs. in Lakh)

Particulars	31.03.2021	31.03.2020	31.03.2019
Revenue from continuing operations	1,34,560	1,39,262	1,70,803
Profit/(Loss) before Tax from continuing operations	13,036	11,471	16,400
Tax Expenses	2,540	20,075	(23,468)
Profit/(Loss) for the Year from continuing operations	10,496	(8,604)	39,868
Equity Share Capital	3,054	3,054	3,054

v. Foreign investments or collaborations, if any: There are no foreign collaborations at present. However, foreign investors are holding equity in the Company.

II. Information about the appointee:

i. Background details: Mr. Rajeev Jhawar, Managing Director [DIN: 00086164], is a Commerce Graduate. He has been associated with the Group for more than a decade and brings with him rich experience in the administration of industrial enterprises. Mr. Jhawar also underwent Management Development Course at an international school of repute.

ii. Past remuneration: Mr. Rajeev Jhawar was paid the following remuneration during each of the preceding three financial years:

(Rs. in Lakh)

	FY ended 31st March, 2021	FY ended 31st March, 2020	FY ended 31st March, 2019
Salary	85.50	106.00	114.00
Contribution to Provident Fund, Gratuity and Superannuation Fund*	17.84	19.44	19.44
Perquisites	20.05	23.63	24.12
Total	123.39	149.07	157.56

**As per Companies Act 2013, retiral benefits are excluded from computation of managerial remuneration payable in accordance with Schedule V of the Companies Act, 2013.*

iii. Recognition or awards:

Due to his able guidance, the Company has earned recognition and awards for it's products in the past.

iv. Job profile and his suitability:

Mr. Rajeev Jhawar, Managing Director subject to the supervision and control of the Board of Directors is responsible for overall management of the affairs of the company. He is also responsible to perform such other duties entrusted to him by the Board from time to time. Taking into consideration his qualification, in-depth experience and expertise in manufacturing operations, product knowledge and activities of the company, he is best suited for the responsibilities assigned to him by Board of Directors.

v. Remuneration paid:

As set out in Resolution No. 4 of the accompanying Notice convening AGM.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Having regard to the size of the company, versatile experience and expertise of Mr. Jhawar and responsibilities of the position held by him, the Board of Directors is of the opinion that the proposed remuneration is reasonable and commensurate.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Rajeev Jhawar is one of the Promoters of the company and is holding 26,11,969 (as on 31st March, 2021) Equity Shares of the company amounting to 0.86% of the Paid up Equity Share Capital of the company. Mr. Jhawar is the son of Mr. Brij Kishore Jhawar, one of the promoters of the Company.

III. Other information:

1. Reasons of loss or inadequate profits:

The external environment in the global economy as well as Indian economy continued to remain challenging. Slow growth in the economy, carried forward accumulated losses, huge debt burden in earlier years along with working capital crunch continued to adversely impact the company's financial results.

2. Steps taken or proposed to be taken for improvement:

With an objective to deleverage the balance sheet, the Company had entered into a business transfer agreement with Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited) for transfer of the Steel Business Undertaking (inter alia comprising of steel manufacturing facility, an operative iron ore mine, coal mine under development, captive power plants, plant and machinery of straight bar facility) of the Company by way of slump sale on going concern basis. A significant portion of debt has been repaid by the Company after receiving cash consideration from Tata Steel Long Products Limited towards sale of steel business undertaking. In the aftermath of sale of the steel business undertaking, the Company is steadily consolidating its raw material coverage position from various sources and no crisis is envisaged due to raw material shortage. Growth momentum in the domestic economy as well as global recovery are expected to help reinforce the Wire and Wire Rope business. The Company also continues to invest as part of its long term cost optimization plans in plant equipment, infrastructure facilities and strengthening systems & processes.

3. Expected increase in productivity and profits in measurable terms:

The above measures being undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

NOTICE TO THE SHAREHOLDERS

IV. Disclosures:

a. The remuneration package of the managerial personnel is for the period 19th May 2021 to 18th May 2023.

b. The following information shall be disclosed in the Board of Directors' Report under the heading 'Corporate Governance' attached to the Annual Report for the year ended 31st March, 2021.

   i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of the directors.

   ii. Details of the fixed components and performance linked incentive along with performance criteria.

   iii. Service contracts, notice period, severance fees.

   iv. Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The relevant extracts of the disclosures made in the Board of Directors' Report under the heading 'Corporate Governance' attached to the Annual Report for the year ended 31st March, 2021 in respect of the remuneration of Mr. Rajeev Jhawar are reproduced herein under for ready reference:

The break-up of remuneration paid to the Managing Director for the financial year 2020-21 is given below:

(Rs. in Lakh)

Name	Mr. Rajeev Jhawar*
Position	Managing Director
Period	FY 2020-21
Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	85.50
Value of perquisites u/s 17(2) Income-tax Act, 1961	20.05
Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
Others (includes PF, Gratuity, GPA, etc.)	17.84
Commission	-
Total	**123.39**
Service Contract	For a period from 19th May 2013 to 18th May 2018 which was further renewed till 18th May 2023.
Notice Period	6 months from either side
Severance Fees	6 months' salary in lieu of notice.
Stock Options	None

**Mr. Rajeev Jhawar was re–appointed as Managing Director of the Company for a period of 5 years effective from 19th May, 2018 to 18th May, 2023. The remuneration paid to Mr. Jhawar did not exceed Rs. 1.48 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the company and as provided under Part II of Section II of Schedule V of the Act) for the period commencing from 19th May, 2018 till 18th May, 2021. The said re-appointment and remuneration payable to Mr. Jhawar was approved by the shareholders at the Thirty Second Annual General Meeting of the company held on 18th September, 2018. Further, the Board at its meeting held on 8th February, 2021 approved payment of remuneration of Rs. 1.24 Crore per annum to Mr. Jhawar for the period from 19th May, 2021 till 18th May, 2023. The remuneration payable to Mr. Jhawar shall not exceed Rs. 1.24 Crore per annum as minimum remuneration (computed with reference to the 'effective capital' of the company and as provided under Part II of Section II of Schedule V of the Act) and in accordance with Schedule V of the Act, the above minimum remuneration as determined does not include the Company's Contribution to Provident Fund, Superannuation and Gratuity Fund for the period commencing from 19th May, 2021 till 18th May, 2023. The approval for remuneration payable to Mr. Jhawar for the period 19th May, 2021 till 18th May, 2023 shall be placed at the forthcoming Annual General Meeting of the Company. No stock options has been given to Mr. Jhawar.*

c. The Company has not made any default in payment of any debts or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year ended 31st March, 2021.

ITEM NO. 5

The Board of Directors on recommendation of Nomination and Remuneration Committee of the Board of Directors at their meeting held on 15th March 2021 inducted Mr. Devadip Bhowmik [DIN: 08656505] as Additional Director to the Board of Directors of the Company. The Board of Directors appointed him as Whole Time Director of the Company for a term of five years with effect from 15th March 2021 and fixed his remuneration for the period 15th March 2021 to 14th March 2024, subject to the necessary approval of the shareholders on the following broad terms:-

a) Tenure : Five (5) years with effect from 15th March 2021 till 14th March 2026 (both days inclusive)

b) Basic Salary & Allowances including the value of following perquisites shall not exceed the consolidated amount of upto Rs. 90 Lakh per annum from 15th March 2021 till 14th March 2024 (both days inclusive):

   i) Club fees : Membership and monthly subscription of one club;

   ii) Medical expense : To be reimbursed as per actuals;

   iii) Communication Facility : One mobile phone;

   iv) Leave Travel Allowances : 10% of Basic Salary;

   v) Car Allowance: To be reimbursed as per actuals.

c) He shall be entitled to:

   i) annual increment from time to time during his tenure as may be decided by the Board of Directors including any Committee thereof;

   ii) annual performance incentive based on the assessment of his as well as the company's performance by the management, where such incentive amount shall not exceed 25% of his annual CTC;

   which shall be over and above the limit specified in (b) above.

d) Leave: As per the Rules of the Company;

e) The retiral benefits in the nature of Company's contribution towards Provident Fund, Superannuation and Gratuity shall be as per Rules of the Company. The aggregate of these shall be over and above the limit specified in (b) above;

f) No fees shall be payable for attending meetings of the Board or any Committee thereof, where so appointed.

g) The aggregate of the remuneration mentioned under (b) and (c) above (excluding contributions to provident fund, superannuation fund and gratuity) shall not exceed the maximum amount of remuneration of Rs. 1.24 Crore per annum which is within the overall limit computed in accordance with Section II of Part II of Schedule V of the Act with reference to the 'Effective Capital' of the Company as on 31st March 2020.

h) In the event of loss/inadequacy of profits during his tenure, the above remuneration of Rs. 1.24 Crore per annum including perquisites shall be payable as 'minimum remuneration' (computed with reference to the 'Effective Capital' of the Company as on the preceding financial year), subject to such approvals as may be necessary including that of shareholders of the Company under Schedule V to the Act.

   The appointment as well as remuneration payable to Mr. Bhowmik requires the approval of the Members the company in the general meeting. The above appointment and remuneration payable to Mr. Bhowmik on the terms proposed satisfies the applicable provisions of the Act and conditions laid down in Schedule V to the Act. The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 for approval of members.

   Other than Mr. Bhowmik and his family members, no other Director or Key Managerial Personnel of the company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 5 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

   The information pursuant to the requirements of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) has been provided at Note 29 of the AGM Notice.

   Information required to be disclosed under the Second Proviso to Section-II(B), Part-II of Schedule V of the Act are as follows:

   (i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee and the Board;

   (ii) The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval from the Members;

   (iii) Consent of the Members through an Ordinary Resolution is being sought for payment of the remuneration for a period of three years;

   (iv) a statement containing further information is set out hereunder:

V. General Information:

i. Nature of industry:

The Company is principally engaged in the businesses of: (a) manufacture and sale of steel wires, strands, wire ropes, cord, related accessories, etc.; and (b) manufacture and sale of wire drawing and allied machines.

ii. Date or expected date of commencement of commercial production:

The Company is in operation since the year 1986.

iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

NOTICE TO THE SHAREHOLDERS

iv. Financial performance based on given indicators:

(Rs. in Lakh)

Particulars	31.03.2021	31.03.2020	31.03.2019
Revenue from continuing operations	1,34,560	1,39,262	1,70,803
Profit/(Loss) before Tax from continuing operations	13,036	11,471	16,400
Tax Expenses	2,540	20,075	(23,468)
Profit/(Loss) for the Year from continuing operations	10,496	(8,604)	39,868
Equity Share Capital	3,054	3,054	3,054

v. Foreign investments or collaborations, if any: There are no foreign collaborations at present. However, foreign investors are holding equity in the company.

VI. Information about the appointee:

i. Background details: Mr. Devadip Bhowmik, aged about 57 years, is a Science Graduate and an Electrical Engineer. He has nearly three decades of corporate experience in marketing, project implementation, brand building and business development with in depth knowledge of sales and service and client relationship management. In the past he has been associated with various organizations like Fouress Engineering and Bells Controls Limited. He joined the Company in 1999 and traversed various roles in India and abroad within the Usha Martin Group. Over the years he has passionately contributed to the growth and development of the company.

ii. Past remuneration: Not Applicable.

iii. Recognition or awards:
During the last three decades of association with the Usha Martin group Mr Devadip Bhowmik has helped the Company in earning accolades and recognition.

iv. Job profile and his suitability:
Mr. Bhowmik as Whole Time Director, subject to the supervision and control of the Board of Directors, shall be responsible for Sales & Marketing, Raw Material Procurement and Plant Operations in India. Taking into consideration his qualification, wide experience and in-depth knowledge of the product, market and operational activities of the company, he is best suited for the responsibilities assigned to him by the Board of Directors.

v. Remuneration proposed:
As set out in Resolution No. 5 of the accompanying Notice convening AGM.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):
Having regard to the size of the company and Mr. Bhowmik's rich experience in marketing, project implementation, operations, brand building and business development including an in-depth knowledge of sales and service and client relationship management, the Board of Directors is of the opinion that the proposed remuneration is reasonable.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: None

VII. Other information:

1. Reasons of loss or inadequate profits:
The external environment in the global economy as well as Indian economy continued to remain challenging. Slow growth in the economy, carried forward accumulated losses, huge debt burden in earlier years along with working capital crunch continued to adversely impact the company's financial results.

2. Steps taken or proposed to be taken for improvement:
With an objective to deleverage the balance sheet of the company, the Company had entered into a business transfer agreement with Tata Steel Long Products Limited (formerly Tata Sponge Iron Limited) for transfer of the Steel Business Undertaking (inter alia comprising of steel manufacturing facility, an operative iron ore mine, coal mine under development, captive power plants, plant and machinery of straight bar facility) of the Company by way of slump sale on going concern basis. A significant portion of debt has been repaid by the Company after receiving cash consideration from

Tata Steel Long Products Limited towards sale of steel business undertaking. In the aftermath of sale of the steel business undertaking, the Company is steadily consolidating its raw material coverage position from various sources and no crisis is envisaged due to raw material shortage. Growth momentum in the domestic economy as well as global recovery are expected to help reinforce the Wire and Wire Rope business. The Company also continues to invest as part of its long term cost optimization plans in plant equipment, infrastructure facilities and strengthening teams & processes.

3. Expected increase in productivity and profits in measurable terms:

The above measures being undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the company.

VIII. Disclosures:

a. The remuneration package of the managerial personnel is for the period of three years commencing from 15th March 2021 till 14th March 2024.

b. The following information shall be disclosed in the Annual Report for the year ended 31st March, 2021.

   i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of the directors.

   ii. Details of the fixed components and performance linked incentive along with performance criteria.

   iii. Service contracts, notice period, severance fees.

   iv. Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

c. The company has not made any default in payment of any debts or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year ended 31st March, 2021.

ITEM NO. 6

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor, M/s Mani & Co., Cost Accountants at a remuneration of Rs. 1,50,000 per annum (plus service tax as applicable and reimbursement of actual out of pocket expenses) to conduct the audit of the cost accounting records of the company in accordance with the provisions of the Act and Rules made thereunder for the Financial Year ending 31st March, 2022.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors is required to be ratified by the shareholders of the company.

Accordingly, consent of the Members is sought by passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratifying proposed remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2022.

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

No Director or Key Managerial Personnel of the company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 6 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

By Order of the Board

Shampa Ghosh Ray
Company Secretary
ACS 16737

Place : Kolkata
Date : 20th May, 2021

NOTES

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mukesh Rohatgi DIN: 00136067 – Chairman
[Independent, Non-Executive]

Mr. Vijay Singh Bapna DIN: 02599024 – Independent Director

Mrs. Ramni Nirula DIN: 00015330 – Independent Director

Mr. V. Ramakrishna Iyer DIN: 02194830 – Nominee Director

Mr. Rajeev Jhawar DIN: 00086164 – Managing Director

Mr. D J Basu DIN: 02498037 – Whole Time Director
[from 6th June, 2020]

Mr. Devadip Bhowmik DIN: 08656505 – Whole Time Director
[from 15th March, 2021]

Mr. Brij K Jhawar DIN: 00086200 – Director
[ceased w.e.f. 23rd September, 2020]

Mr. P K Jain DIN: 02583519 – Jt. Managing Director
[deceased on 17th May, 2020]

KEY MANAGERIAL PERSONNEL

Mr. Anirban Sanyal – Chief Financial Officer

Mrs. Shampa Ghosh Ray – Company Secretary

SENIOR MANAGEMENT

India
Mr. S B N Sharma – Sr. Vice President [Manufacturing]

Europe
Mr. S Jodhawat – Executive Chairman – Usha Martin International Limited (UK)

Mr. Dimitri Bracco Gartner – Chief Executive Officer – Usha Martin International Limited (UK)

South East Asia-Pacific, Middle East and USA
Mr. Tapas Ganguly – Chief Executive Officer, South East Asia-Pacific, GCC Countries, Africa & Americas

Mr. S S Birla – Managing Director, Usha Siam Steel Industries Public Co. Ltd. (Thailand)

Mr. S. Mazumder – Managing Director, Brunton Wire Ropes, FZCo (Dubai)

Mr. Sanjay Singh – Operations Director, Usha Martin Americas Inc. (USA)

REGISTERED & CORPORATE OFFICE

2A, Shakespeare Sarani,
Kolkata – 700 071, India
CIN: L31400WB1986PLC091621
Phone: 033 – 71006300; Fax: 033 – 71006415
Email: investor@ushamartin.co.in
Website: www.ushamartin.com

WORKS

India
Tatilswai, Ranchi
Hoshiarpur, Punjab
Sri Perumbudur, Tamil Nadu
Silvassa, (U M Cables)

Overseas
Navanakoran Industrial Estate, Thailand (Usha Siam Steel Industries)
Jebel Ali Free Zone, Dubai, UAE (Brunton Wire Ropes)
Worksop, Nottinghamshire, UK (Usha Martin UK)

BANKERS

State Bank of India
ICICI Bank Limited
IndusInd Bank Limited

AUDITORS

S.R. Batliboi & Co. LLP

SHARE LISTINGS

NSE – Scripcode – USHAMART
BSE – Scripcode – 517146
Societe de la Bourse de Luxembourg - GDRs - US9173002042
ISIN No.INE228A01035

REGISTRAR & TRANSFER AGENT

MCS Share Transfer Agent Limited,
383, Lake Gardens, 1st Floor, Kolkata - 700045
Phone: (033) 4072 4051/52/53;
Fax: (033) 4072 4050;
Email: mcssta@rediffmail.com

USHA MARTIN LIMITED
2A, Shakespeare Sarani, Kolkata – 700 071, India
CIN: L31400WB1986PLC091621
Phone: 033 – 7100 6300; Fax: 033 – 7100 6415
Email: investor@ushamartin.co.in,
Website: www.ushamartin.com

/concept, content and design at AICL (hello@aicl.in)