METAL COATINGS (INDIA) LTD.

Works II : 113, HSIIDC Indl. Estate, Sector - 59, Faridabad - 121 004
Phones : 09999972371, Fax : 0129-2307422

AN ISO 9001:2015 CERTIFIED COMPANY

Date: 5th September, 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers
1st Floor, Dalal Street
Mumbai- 400 001

Sub.: Notice of 26th Annual General meeting and Annual Report for the financial year 2019-20

Ref.: Scrip Code – 531810; Scrip Id – METALCO

Dear Sir/Madam,

We are pleased to inform you that the 26th Annual General Meeting (AGM) of the Company is scheduled to be held on Tuesday, 29th September, 2020 at 11.30 A.M. IST through video conferencing (VC) / other audio visual means (OAVM).

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice convening the 26th AGM and Annual Report of the Company for the financial year 2019-20.

The Annual Report containing the Notice is also uploaded on the Company's website at www.mcil.net.

You are requested to kindly take the above information on your records.

Thanking you.

Yours faithfully,

For Metal Coatings (India) Limited

Kapil Sharma
Company Secretary & Compliance Officer

NOTICE

NOTICE is hereby given that the 26th (Twenty-Sixth) Annual General Meeting (hereinafter referred to as "AGM") of the Members of **Metal Coatings (India) Limited** ('the Company') will be held on Tuesday, the 29th September 2020 at 11:30 a.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Ramesh Chander Khandelwal (DIN: 00124085), who retires by rotation at this AGM and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To approve material related party transactions with M/s Khandelwal Busar Industries Private Limited and to consider and if thought fit to pass with or without modification(s), the following Resolution as an ***Ordinary Resolution***:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Company's policy on Related Party Transactions, approval of Members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s) / arrangement(s) / transaction(s) with M/s Khandelwal Busar Industries Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, for sale, purchase, transfer, job work or receipt of products, goods, materials, assets or services and leasing of property of any kind for a sum not exceeding ₹75.00 Crores (Rupees Seventy Five Crores only) at arm's length basis and in the ordinary course of business, for the Financial Year 2020-21.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, deeds, applications and returns along with filing of necessary E-form(s) with the Registrar of Companies, NCT of Delhi and Haryana to give effect to the above resolution."

4. To approve the limits for the loans and investments by the Company and to consider and if thought fit to pass with or without modification(s), the following Resolution as ***Special Resolution*:**

"RESOLVED THAT pursuant to the provisions of section 186 and other applicable provisions, if any, of the Companies Act 2013 (the "Act") read with Companies (Meeting of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and in terms of the provisions of the Company's Memorandum and Articles of Association and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members of the Company be and is hereby accorded to the Board of Directors to make investment/acquisition for an amount not exceeding ₹30.00 Crores (Rupees Thirty Crores only) by way of subscription, purchase or otherwise in the equity shares, preference shares, units of mutual funds, debentures, bonds, treasury bills, fixed deposits, Fixed Income Plans, Government Securities, Commercial Papers (CP) etc. (referred as "the Securities") issued by banks, body corporate(s), entity(ies), trust(s), Central or State Government, from time to time in one or more tranches as the Board may in their absolute discretion deem beneficial and in the interest of the Company notwithstanding that such investments/acquisitions in the Securities are in excess of the limits prescribed

under Section 186 of the Companies Act, 2013 and on such terms and conditions as may be decided by the Board from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, deeds, applications and returns along with filing of necessary E-form(s) with the Registrar of Companies, NCT of Delhi and Haryana to give effect to the above resolution."

5. To ratify the remuneration of Cost Auditors for the Financial Year 2020-21 and to consider and if thought fit to pass with or without modification(s), the following Resolution as an ***Ordinary Resolution*:**

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the remuneration payable to Mr. Ramawatar Sunar, Cost Accountant (Firm Registration No. 100691), amounting ₹50,000/- (Rupees Fifty Thousand Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses, as recommended by the Audit Committee and as approved by the Board of Directors to conduct the audit of cost records of the Company for the financial year 2020-21, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, deeds, applications and returns along with filing of necessary E-form with the Registrar of Companies, NCT of Delhi and Haryana to give effect to the above resolution."

By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Kapil Sharma
Company Secretary
Membership No. A61928

Date : 28.08.2020
Place : New Delhi

Registered Office:
912, Hemkunt Chambers 89, Nehru Place
New Delhi 110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail:info@mcilindia.net
Phone: 011-41808125

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular No. 20/2020 dated May 05, 2020 read with circular No. 14/2020 dated April 08, 2020, circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular dated May 12, 2020 ("SEBI Circular") permitted the holding of the Annual General Meeting ("the 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"), Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, MCA Circulars and SEBI Circular, the Meeting of the Company is being held through VC/OAVM. Further, Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

2. An explanatory statement pursuant to Section 102(1) of the Act & Secretarial Standard–2 on General Meetings issued by The Institute of Company Secretaries of India ("SS–2"), relating to the special business under item number 3 to 5 to be transacted at the AGM is annexed hereto and forms part of this Notice.

3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA 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 and hence the Proxy Form, Attendance Slip and route map of the venue of the AGM are not annexed to the Notice.

4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send, through their registered email address, a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote E-voting/E-voting system available during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer at csabhinavagarwal101@gmail.com with copies marked to the Company at cs@mcilindia.net and to its RTA at delhi@linkintime.co.in.

5. The Notice of the AGM along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company's RTA/Depositories in accordance with the aforesaid MCA Circulars and SEBI circular. Members may note that the Notice of AGM and Annual Report for the financial year 2019-20 will also be available on the Company's website i.e. www.mcil.net, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Company's RTA at https://instavote.linkintime.co.in. Members can attend and participate in the AGM through VC/OAVM facility only.

6. In case of joint holders attending the AGM, only such joint holder(s) whose name appears higher in the order in the Register of Members will be entitled to vote at the AGM.

7. 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, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@mcilindia.net.

8. Members holding shares in physical mode are requested to intimate any change in their address to the Registrar and Share Transfer Agent (hereinafter referred to as "RTA") of the Company i.e. Link Intime India Private Limited and members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

9. In terms of Section 152 of the Act, Mr. Ramesh Chander Khandelwal (DIN: 00124085) retires by rotation at the AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment. Pursuant to Regulation 26 & 36 of the SEBI Listing Regulations and SS–2, the particulars of the Directors seeking appointment/ re-appointment at the AGM, forms integral part of the notice.

10. The Members of the Company had appointed M/s. Vinod Kumar & Associates, Chartered Accountants, (Firm registration No. 002304N) as the Statutory Auditors at the 22nd (Twenty Second) AGM of the Company for second term of 5 (five) consecutive years till the conclusion of 27th (Twenty Seventh) AGM of the Company. In accordance with the

Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs (herein after referred to as 'MCA'), the requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every AGM has been removed. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors in this Notice.

11. Shareholders seeking any information with regard to accounts or any other matter contained in Notice or Annual Report are requested to write to the Company at least 10 (Ten) days before the date of AGM so as to enable the management to make available relevant information at the AGM.

12. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA of the Company.

13. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. In this regard, members may contact the Company or Company's RTA, M/s. Link Intime India Private Limited.

14. In terms of Section 72 of the Companies Act, 2013, the Members of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Members desirous of availing this facility may submit nomination in form SH-13.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA enclosing the share certificates for consolidation into a single folio. Non-Resident Indian Members are requested to inform to the RTA of the Company, immediately of:

    a) Change in their residential status on return to India for permanent settlement.

    b) Particulars of their bank account maintained in India with complete name, branch, account type, IFSC, account number and address of the bank with pin code number, if not furnished earlier.

16. Pursuant to the provisions of Section 124 of the Act, the applicable rules and amendments thereto and notifications issued by the MCA from time to time, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date and all those shares in respect of which dividend has not been encashed or claimed by Members for 7 (seven) consecutive years or more are required to be transferred to the Investor Education and Protection Fund (hereinafter referred to as "IEPF"), constituted by the Central Government. All unclaimed Dividends upto the Financial Year ended 31st March, 2012 and as per Section 124(6) of the Companies Act, 2013 shares in respect of which dividend has not been encashed or claimed for seven consecutive years, have been transferred to the IEPF. It may please be noted that once the unclaimed dividend is transferred to the said Fund, as above, no claims shall lie against the Company. However, claim can be made from the Fund in accordance with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended till date. Further, pursuant to the provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of the unpaid and unclaimed amounts on the website of the Company i.e. www.mcil.net and also on the website of MCA.

17. In compliance with the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended till date and Regulation 44 of the SEBI Listing Regulations and the SS–2, the Company is pleased to provide a facility to its members to exercise their right to vote from a place other than the venue of the AGM ('remote e-voting'), on all resolutions proposed to be considered at the AGM electronically through electronic voting (E-voting) services facilitated by Link Intime India Private Limited (hereinafter referred to as "LIIPL"). Those Shareholders, who are present in the Meeting through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system available during the Meeting.

18. **Process for registration of email id for obtaining Annual Report and user id/password for E-voting:**

    Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at cs@mcilindia.net along with the copy of the signed request letter mentioning their folio No. alongwith self attested copy of the PAN card and any document i.e.

Driving License, Election Identity Card, Passport or Aadhar Card. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants.

19. The remote e-voting period commences on Friday, 25th September, 2020 (9:00 am IST) and ends on Monday, 28th September, 2020 (5:00 pm IST). During this period members of the Company holding shares either in physical form or dematerialized form, as on the cut-off date of Tuesday, 22nd September, 2020, may cast their vote electronically. The remote e-voting module will be disabled by LIIPL for voting thereafter. Once the vote on a resolution is cast by the members, the member will not be allowed to change it subsequently.

20. Instructions for e-voting and joining the Annual General Meeting are as follows:

Remote e-Voting Instructions for shareholders are as under:

i. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

Those who are first time users of LIIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:-

  A. User ID: Enter your User ID

  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

  B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company/RTA shall use the sequence number provided to you, if applicable.

  C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/ Company/RTA - in DD/MM/YYYY format)

  D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company/RTA.

  - Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
  - Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

  NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier event of any company then they can use their existing password to login.

ii. Click on "Login"under 'SHARE HOLDER' tab.

iii. Enter your User ID, password and image verification code (CAPTCHA) and click on "SUBMIT".

iv. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

v. E-voting page will appear.

vi. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/ Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

vii. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

viii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password.
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

i. In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address.

ii. Shareholders/Members can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer or PAN, DOB/ DOI, Dividend Bank Details and confirm.

iii. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

iv. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event". Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and Insta Vote E-voting instructions available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022-4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

Open the internet browser and launch the URL: https://instameet.linkintime.co.in

➢ Select the "Company" and 'Event Date' and register with your following details:-

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company/RTA shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company/RTA.

➢ **Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).**

You may call upon the InstaMeet Support Desk for any support on the dedicated number - Tel: 022-49186175 or may send an e-mail to instameet@linkintime.co.in.

Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 (three) days in advance with the company on the cs@mcilindia.net.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

6 Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

7. Shareholder who would like to speak during the meeting are requested to:

   a. download and install the Webex application in advance by clicking on the link i.e. https://www.webex.com/download.html/

   b. If you do not want to downloaded and install the Webex application, you may join the meeting by following the process mentioned as under:

   Step 1 Enter your First Name, Last Name and E-mail ID and click on join now.

   1(a) If you have already installed the Webex application on your device, join the meeting by clicking on join now

   1(b) If Webex application is not installed, a new page will appear giving you an option to either add Webex to chrome or run a temporary application. Click on run a temporary application, an exe file will be download Click this exe file to run the application and join the meeting by Clicking on join now

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

i. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

ii. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

iv. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

v. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting facility during the meeting. Shareholders/ Members who have voted through Remote E-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet.

However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

21. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off Date and as per the Register of Members of the Company.

22. The Board has appointed M/s A Abhinav & Associates, Practicing Company Secretaries (ACS No. 46266, CP No. 17590) as the Scrutinizer for conducting the E-voting process and voting at the AGM in a fair and transparent manner.

23. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting to be cast by use of E-voting facility 'InstaMeet' of LIIPL, for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

24. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the E-voting (votes cast during the AGM and votes cast through remote E-voting), not later than 48 hours from the conclusion of the AGM. The voting result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL, and RTA and will also be displayed on the Company's website i.e. www.mcil.net and on the website of LIIPL i.e. https://instavote.linkintime.co.in.

By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Kapil Sharma
Company Secretary
Membership No. A61928

Date : 28th August, 2020
Place : New Delhi

Registered Office:
912, Hemkunt Chambers 89, Nehru Place
New Delhi 110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail: info@mcilindia.net
Phone: 011-41808125

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Pursuant to Section 102 (1) of the Act, the following explanatory statement sets out all material facts relating to the business mentioned under item no. 3 to 5 of the accompanying Notice:

ITEM NO. 3

Khandelwal Busar Industries Private Limited ("KBIPL") is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In terms of the provisions of Section 188 of the Companies Act, 2013 and the SEBI Listing Regulations, the contracts/ arrangements/transactions relating to sale, purchase, transfer or receipt of goods, materials, assets or services and leasing of property of any kind with KBIPL are material in nature as these transactions are likely to exceed ten percent of the turnover of the Company. The particulars of the Material Related Party Contracts/Arrangements/Transactions are as under:

Name of the Related Party	M/s Khandelwal Busar Industries Private Limited
Name of the Director or Key Managerial Personnel who is related and relationship	Mr. Pramod Khandelwal, Managing Director and Mr. Ramesh Chander Khandelwal, Whole Time Director of the Company are directors in KBIPL.
Material Terms of the Contracts/Arrangements/ Transactions	Sale, purchase, transfer or receipt of goods, materials, assets or services and leasing of property of any kind etc. on arm's length basis.
Monetary Value	The value of transactions is likely up to an amount of ₹75.00 crores (Seventy five crores only.)
Other information	All prices with KBIPL are agreed based on market competitiveness. The material contracts / arrangements / transactions with KBIPL have been approved by the Audit Committee and Board of Directors recommending the same to the Members of the Company for their approval.

As per the requirements of Regulation 23(4) of the SEBI Listing Regulations, all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations provides that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Hence, it is proposed to accord Members' approval for the related party Contract(s)/Arrangement(s)/Transaction(s) with KBIPL during Financial Year 2020-21, as mentioned in Item No. 3 of the Notice.

The Board recommend the resolution set out at Item No. 3 of the Notice as ordinary resolution for approval of the shareholders.

Except Mr. Pramod Khandelwal, Managing Director and Mr. Ramesh Chander Khandelwal, Chairman & Whole Time Director of the Company and their relative none of the Directors/KMP/their relatives of the Company are interested, financially or otherwise, in the proposed resolution.

ITEM NO. 4

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment/ acquisition in securities which includes equity shares, preference shares, units of mutual funds, debentures, bonds, treasury bills, fixed deposits, Fixed Income Plans, Government Securities, Commercial Papers (CP) etc. issued by banks, body corporate(s), entity(ies), trust(s), Central or State Government as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders/members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account. Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding ₹30.00 crores (Rupees Thirty Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Board recommend the resolution set out at Item No. 4 of the Notice as Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in Practice.

The Board of Directors at its meeting held on 29th July, 2020 on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Mr. Ramawatar Sunar, Cost Accountant (Firm Registration Number 100691) to conduct the audit of the cost records of the Company for the financial year 2020-21 at a remuneration of ₹50,000/- (Rupees Fifty Thousand Only) plus applicable taxes & re-imbursement of out-of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and as approved by the Board of Directors, has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2020-21.

None of the Directors/Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

ANNEXURE OF DETAILS OF DIRECTOR SEEKING APPOINTMENT / RETIRING BY ROTATION AT THE ANNUAL GENERAL MEETING

Pursuant to the SEBI Listing Regulations and the Secretarial Standard on General Meetings, the particulars of the Director seeking appointment/re-appointment at the AGM are given below:

RAMESH CHANDER KHANDELWAL (DIN: 00124085)

Mr. Ramesh Chander Khandelwal, aged 69 years is a Mechanical Engineer having more than 47 years of industrial experience. During his tenure he has served as key Executive in different institutions/companies. He looks after the Technical and Manufacturing Operations of the Company. He is Director of the Company since 12th December, 1994. He is also member of Stakeholder's Relationship Committee of the Company. He had attended all the Board Meetings held during the financial year 2019-20. He is also the Director of Khandelwal Busar Industries Private Limited and does not hold any position as Member/Chairman of Committees of Boards of other Companies as on 31st March, 2020. He is not related with any Directors and Key Managerial Personnel of the Company. As on 31st March, 2020, he holds 10,43,858 equity shares of the Company. During the FY 2019-20, he drew ₹156.46 lacs p.a. as remuneration from the Company.

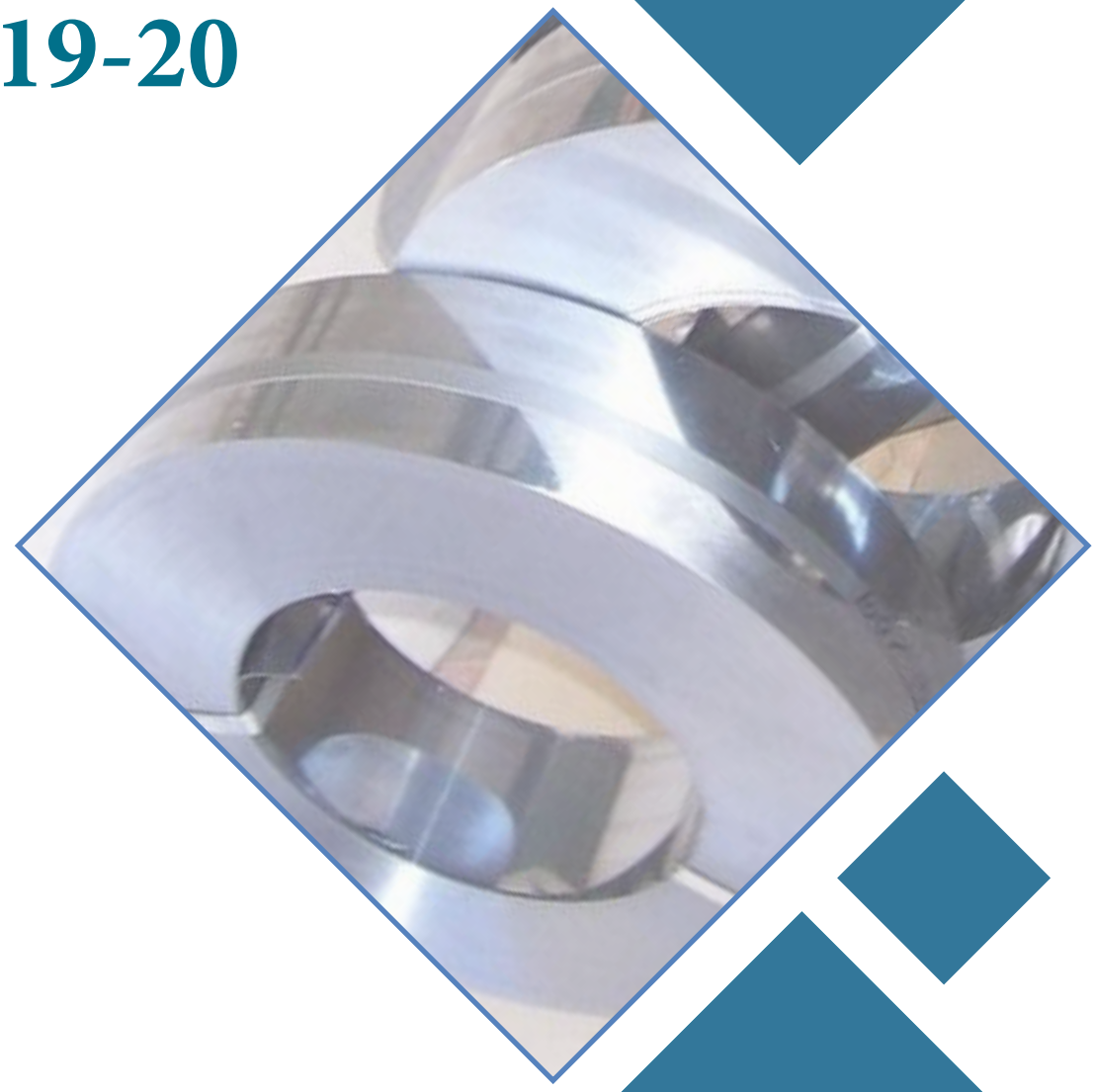
By order of the Board of Directors
For Metal Coatings (India) Limited

Sd/-
Kapil Sharma
Company Secretary
Membership No. A61928

Date : 28th August, 2020
Place : New Delhi

Registered Office:
912, Hemkunt Chambers 89, Nehru Place
New Delhi 110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail:info@mcilindia.net
Phone: 011-41808125

ANNUAL REPORT 2019-20



METAL COATINGS (INDIA) LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Chander Khandelwal
Chairman & Whole-time Director

Mr. Pramod Khandelwal
Managing Director

Mr. Satish Kumar Gupta
Independent Director

Ms. Neha Gupta
Independent Director

Mr. Santosh Khandelwal
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Ram Awtar Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kapil Sharma

STATUTORY AUDITORS

M/s. Vinod Kumar & Associates
Chartered Accountants
909, Chiranjiv Tower, 43, Nehru Place,
New Delhi-110019

SECRETARIAL AUDITOR

M/s CPA & Co.

COST AUDITOR

Mr. Ramawatar Sunar
Cost Accountant
A-2/252-253 Ground Floor, Sector 8, Rohini
New Delhi – 110085

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Link Intime India Private Ltd.
Noble Heights, 1st Floor, NH-2
C-1 Block LSC, Near Savitri Market, Janakpuri
New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

REGISTERED OFFICE

912, Hemkunt Chambers,
89, Nehru Place,
New Delhi-110 019
Phone No.: 011-41808125
Email Id: info@mcilindia.net
Website: www.mcil.net
CIN: L74899DL1994PLC063387

WORKS

(i) Sector–45, Meola Maharajpur,
Faridabad – 121 003, Haryana
(ii) Plot No. -113, HSIIDC Industrial Estate,
Sector–59, Faridabad–121 004, Haryana

BANKERS

The Hongkong and Shanghai Banking Corporation Ltd.

WEBSITE

www.mcil.net

Email ID for Investors

cs@mcilindia.net

26th ANNUAL GENERAL MEETING

Day : Tuesday

Date : 29th September, 2020

Time : 11:30 a.m. (IST)

CONTENTS

Particulars	Page Nos.
Directors' Report	2-24
Management Discussion & Analysis Report	25-26
Corporate Governance Report	27-43
Independent Auditor's Report	44-51
Balance Sheet	52
Statement of Profit & Loss	53
Statement of Changes in Equity	54
Cash Flow Statement	55
Significant Accounting Policies	56-60
Notes to Financial Statement	61-73

DIRECTORS' REPORT

Dear Members,

Directors of your Company are pleased to present its **26th (Twenty Sixth) Annual Report** together with the Audited Financial Statements of your Company, for the financial year ended 31st March, 2020.

FINANCIAL RESULTS

The summarized Financial Performance of your Company for the financial year ended 31st March, 2020 is as follows:

(₹ in lacs)

Particulars	**For the year ended 31st March, 2020**	**For the year ended 31st March, 2019**
Total Turnover (Gross)	**12,016.98**	15,406.47
Operating Profit	**452.22**	521.67
Less : Depreciation	**55.83**	63.58
Less: Finance Cost	**9.76**	50.18
Less: Provision for Tax and Adjustment	**101.16**	100.58
Profit for the year	**285.47**	307.33

PERFORMANCE REVIEW AND STATE OF AFFAIRS OF THE COMPANY

The revenue from operations of the Company for the year ended 31st March, 2020 decreased to ₹12,017 lacs as compared to ₹15,406 lacs in the previous year. Your Company registered a marginal decrease in profit to ₹285 Lacs as compared to ₹307 lacs in the previous year. This downtrend, amongst other things, was attributable to lower revenue generation due to worldwide outburst of covid-19 which not only resulted in direct loss in sales revenue in the second half of March 2020 on account of lockdown but also kept the profitability under pressure towards the end of the year and as a result led to a slight decline in the profits of the Company.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March 2020.

TRANSFER OF UNCLAIMED / UNPAID DIVIDEND AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the applicable provisions of the Companies Act, 2013 read with Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government of India, after the completion of seven years from the date of transfer to Unpaid Dividend Account of the Company. Further, according to Section 124(6) of the Companies Act, 2013 and the rules made there in, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

It may be noted that the unclaimed dividend of ₹6,00,306/- for the financial year 2011-12 declared on September 28, 2012 along with 348,974 shares have been transferred to the IEPF in accordance with the applicable provisions of the Act read with relevant rules made there under within the prescribed time limit. The details of such unclaimed dividend transferred are available on the Company's Website i.e.www.mcil.net.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time.

The following table gives information of future dates when the amount of dividend is due for transfer to IEPF:

Financial Year Ended	Date of Declaration of Dividend	Due to be Transferred to IEPF Fund in
31st March, 2014	23.09.2014	November, 2021
31st March, 2015	24.08.2015	October, 2022
31st March, 2016	21.09.2016	November, 2023
31st March, 2017	22.09.2017	November, 2024
31st March, 2018	19.09.2018	November, 2025
31st March, 2019	24.09.2019	November, 2026

TRANSFER TO RESERVES

No amount has been proposed to be carried to any Reserves. Entire amount of profit of ₹273 lacs is proposed to be retained in the Surplus.

SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2020 is ₹732.68 lacs comprising of 73,26,800 Equity Shares of ₹10 each. There is no change in the issued & subscribed capital of the Company of the year. Further, during FY 2019-20 your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors or Key Managerial Personnel of the Company holds instruments convertible into equity shares of the Company. All the Shares of the Promoters which are held in the Company are in dematerialized Form.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business of the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Appointment and/or Re-Appointment

The Board of Your Company is duly constituted which is in compliance with the requirements of the Act, the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 [hereinafter referred to as "SEBI Listing Regulations"] and provisions of the Articles of Association of the Company.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Ramesh Chander Khandelwal (DIN: 00124085), Chairman & Whole Time Director of the Company being liable to retire by rotation, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

As already reported last year, Ms. Preeti Khatore had resigned from the post of Company Secretary & Compliance Officer and was relieved from the services of the Company from the close of business hours of 11th April, 2019. In her place, Mr. Piyush Jain was appointed as the Company Secretary & Compliance Officer of the Company with effect from 12th April, 2019, who has also resigned from the services of the Company effective from 20th June, 2020. The Board placed on record the valuable guidance and support received from them during their tenure.

The Board of Directors of the Company at its meeting held on 29th July 2020, based on the recommendation of Nomination and Remuneration Committee, has appointed Mr. Kapil Sharma as the Company Secretary & Compliance Officer of your Company.

The brief resume and other details, as required under the Regulation 36(3) of the SEBI Listing Regulations of the Director seeking re-appointment at the ensuing AGM is provided in the Notice of the AGM of the Company which forms part of the Annual Report.

Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel (hereinafter referred to as 'KMP') of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with the Rules framed there under.

1. Mr. Ramesh Chander Khandelwal, Chairman & Whole-time Director;
2. Mr. Pramod Khandelwal, Managing Director;
3. Mr. Ram Awtar Sharma, Chief Financial Officer; and
4. Mr. Kapil Sharma, Company Secretary & Compliance Officer

None of the Whole-Time Directors / KMP of the Company is holding office in any other Company as KMP and none of the Directors/ KMP of Company are disqualified.

Statement of Declaration given by Independent Directors

The Company has received necessary declaration of independence from all the Independent Directors of the Company, under Section 149(7) of the Act, that he/she meets the criteria of Independent Directors envisaged in Section 149(6) of the Act and rules made thereunder and SEBI Listing Regulations and are not disqualified from continuing as Independent Directors.

Further Company has also received statements from all the Independent Directors that they have complied with Code of Conduct for Independent Directors prescribed in Schedule IV to the act and also statement on compliance of code of conduct for Directors and Senior Management Personnel formulated by Company. The same is attached in Corporate governance Section of this Annual Report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

As required under the provisions of the Act, a separate meeting of Independent Directors was held during the year on 17th January 2020. In the meeting, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In the board meeting, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated. The Board opines that Independent Directors have got integrity, expertise and relevant experience required in industry in which Company operates.

The evaluation of all the Directors and the Board as a whole was found to be satisfactory. The flow of information between the Company management and the Board is timely, qualitative and adequate.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) & 134(5) of the Act, your Board of Directors' to the best of their knowledge and ability hereby confirm that:

(a) in the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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

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

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

(e) the Directors have laid down internal financial controls for the Company and these internal financial controls were adequate and operating effectively;

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

DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Chapter V of Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 from the public and as such no amount of principal or interest remained unpaid or unclaimed at the end of the financial year 31st March, 2020.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or guarantee as covered under the provisions of Section 186 of the Act during the financial year ended 31st March, 2020. The investment made by the Company during the financial year ended 31st March, 2020 is with in the limits as specified under section 186 of the Act.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and / or banks during the period under review.

RELATED PARTY TRANSACTIONS

As required under the SEBI Listing Regulations and the Act, prior omnibus approval was obtained for Related Party Transactions which are of repetitive nature and/or entered in the ordinary course of business and are at Arm's Length basis, in the first meeting of Audit Committee for the Financial year 2019-20.

All transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee of the Company for its review. The details of the related party transactions are set out in Note No. 33 to the Financial Statements of the Company.

The particulars of contracts entered with related parties are shown in the prescribed form AOC-2 which is enclosed at **Annexure – 1**. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website i.e. www.mcil.net.

AUDITORS AND AUDITOR'S REPORT

(I) STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, the Company in its 22nd Annual General Meeting had appointed M/s. Vinod Kumar & Associates, Chartered Accountants, (Firm registration No. 002304N) as the Statutory Auditors for a second term of 5 (five) consecutive years which is valid till 27th Annual General Meeting of the Company. They have confirmed their eligibility for the Financial Year 2020-21 under Section 141 of the Companies Act, 2013 and the Rules framed there under.

The report of the Statutory Auditors on Financial Statements for the year under review forms part of the Annual Report and there are no auditor's qualifications in the audit report for the financial year ended 31st March, 2020.

There have been no instances of fraud reported by the Statutory Auditor under Section 143(12) of the Companies Act, 2013 read with rules framed there under, either to the Company or to the Central Government.

(II) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules framed there under, the Company has re-appointed M/s. CPA & Co., a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report for the financial year 2019-20 forms integral part of this Report as '**Annexure – II**'. There are no qualifications, observations or adverse remark or disclaimer in the said report.

(III) COST AUDITORS & COST RECORDS

The Board of Directors of your Company, on the basis of provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time and as per the recommendations provided by the Audit Committee, has re-appointed Mr. Ramawatar Sunar, Cost Accountant (Firm registration No. 100691) as Cost Auditor of your Company for conducting the Audit of Cost records of the Company for the financial year 2020-21. Company has received written consent from Mr. Ramawatar Sunar, Cost Accountant to the effect that his appointment, if made, will be in accordance with the applicable provisions of the Act and rules framed there under.

As per Section 148(3) of the Act, the remuneration payable to the Cost Auditors requires ratification by Shareholders. An appropriate Resolution, to this effect, is being proposed at the ensuing AGM.

As per Section 148(1) of the Act, the cost records as specified by the Central Government are being made and maintained by your Company. Your Company has filed the Cost Audit Report for the financial year 2018-19 with the Registrar of Companies, Ministry of Corporate Affairs in the XBRL mode during the year under review.

DISCLOSURES

(I) MEETING OF THE BOARD

The notices of Board / Committee meetings are given well in advance to all the Directors. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

Six (6) Meetings of the Board of Directors were held during the year 2019-2020 viz. 12.04.2019, 24.05.2019, 12.08.2019, 14.11.2019, 17.01.2020 and 14.02.2020 and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present at all the meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

(II) AUDIT COMMITTEE

The Audit Committee of the Board as on 31st March 2020, comprises Independent Directors namely Mr. Satish Kumar Gupta (Chairman), Ms. Neha Gupta and Mr. Santosh Khandelwal as members.The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI Listing Regulations, Section 177 of the Act and such other functions as may be specifically delegated to the Committee by the Board from time to time. During the year, 4 (Four) Audit Committee meetings were held, the details of which are provided in the Corporate Governance Report which forms part of this Annual Report. The maximum interval between the two meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. During the year all the recommendations made by the Audit Committee were accepted by the Board.

(III) NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee of the Board as on 31st March 2020, comprises Independent Directors namely Mr. Satish Kumar Gupta (Chairman), Ms. Neha Gupta and Mr. Santosh Khandelwal as members. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19

of SEBI Listing Regulations and Section 178 of the Act, besides other terms as may be referred by the Board of Directors. During the year, 1 (one) Nomination and Remuneration Committee meeting was held, the details of which are provided in the Corporate Governance Report which forms part of this Annual Report. The Board has accepted all recommendations made by the Nomination and Remuneration Committee during the year.

(IV) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, as on March 31, 2020, comprises of Mr. Satish Kumar Gupta (Chairman), Mr. Ramesh Chander Khandelwal and Mr. Pramod Khandelwal as members. The Committee, inter-alia, reviews and ensures redressal of investor's grievances.During the year, 6 (Six) Stakeholders Relationship Committee meetings were held, the details of meetings and other details are provided in the Corporate Governance Report which forms part of this Annual Report.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any Subsidiary, Joint Venture or Associate Company.

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

A. CONSERVATION OF ENERGY

The Company continued to give major emphasis for conservation of Energy, and the measures taken during the previous years are continued. The Efficiency of Energy Utilization in manufacturing Unit is monitored at the Corporate level every quarter, in order to achieve effective conservation of energy. The significant Energy Conservation measures during the year were:

- Use of transparent roof sheets wherever possible to make use of natural lighting.
- Monitoring of utilization of energy in lighting and other auxiliary equipments.
- Creating awareness among employees about the necessity of energy conservation by celebrating energy conservation week.

B. TECHNOLOGY ABSORPTION

The technology being appropriate for current need and as such no research, development and up gradation is required at this stage.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no foreign exchange earnings and outgo.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

As provided under Section 92 of the Companies Act, 2013 and rules framed thereunder, the extract of annual return in Form MGT-9 is given in '**Annexure – III'** which forms part of this report. In compliance with Section 134(3)(a) of the Act, MGT-9 can be accessed on the website of the Company viz., www.mcil.net.

BOARD POLICIES

(a) Policy of Appointment & Re-appointment

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board. The Nomination and Remuneration Policy of the Company includes the terms and conditions for appointment and payment of remuneration to the Directors and KMP and other senior management personnel including criteria for determining qualifications, positive

attributes, independence of a director as per Section 178 and Schedule IV of the Act. There have been no changes in the said policy during the year. The said policy may be accessed on the website of the Company viz., www.mcil.net.

(b) Vigil Mechanism/Whistle Blower Policy

The Company has formulated a Whistle Blower Policy relating to Vigil Mechanism in terms of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations for Employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of your Company viz., www.mcil.net.

(c) Risk Management Policy

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy may be accessed on the website of the Company viz., www.mcil.net.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) of the Act read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors are furnished hereunder:

Sl. No.	Name	Designation	% Increase/(Decrease) of remuneration in 2019-20 as compared to 2018-19#	Ratio of Remuneration to MRE#
1	Mr. Pramod Khandelwal	Managing Director	16.23%	100.29
2	Mr. Ramesh Chander Khandelwal	Chairman and Whole-time director	16.23%	100.29
3	Mr. Satish Kumar Khandelwal	Independent Director	20%	0.23
4	Ms. Neha Gupta	Independent Director	(33.33%)	0.08
5	Mr. Santosh Khandelwal	Independent Director	200%	0.08
6	Mr. Ram Awtar Sharma	Chief Financial Officer	(4.27%)	-
7	Mr. Piyush Jain*	Company Secretary & Compliance Officer	N.A.	-

MRE : Median Remuneration of Employees.

: Based on annualised Salary

***** : Mr. Piyush Jain was appointed effective from 12th April, 2019 and therefore his remuneration for the financial year 2018-19 is not available.

1. The percentage increase in Median remuneration of employees for the year 2019-20 is 0.78%
2. The number of permanent employee on the rolls of the Company as of 31st March, 2020 is 79.
3. The average percentage increase in salary of the Company's employees excluding the KMP was 5.94% and including KMP was 12.91%. The salary of KMP were based on the recommendation of Nomination and Remuneration Committee to revise the remuneration as per the Remuneration Policy of the Company.
4. In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn set out in the said rules are provided in '**Annexure–IV'** to the Board's Report.
5. It is affirmed that the remuneration is as per the remuneration policy of the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS OR COURT

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROL

In order to align with the requirement of Section 134(5) (e) of the Companies Act, 2013, the Company has in place adequate internal financial controls which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. In particular, it ensures adequate operating controls, clear policies and detailed procedures of operations, delegation of authorities, safeguarding of assets, prevention and detection of frauds and errors, financial controls on financial reporting and timely preparation of reliable financial information. Nonetheless your Company recognizes that any Internal control framework, no matter how well designed has inherent limitations and accordingly it is ensured that systems are reinforced on ongoing basis.

CREDIT RATING

Acuité has reaffirmed long-term rating of 'ACUITE BBB' (read as ACUITE BBB) and short term rating of 'ACUITE A3+' (read as ACUITE A three plus) on the bank facilities of the Company. The outlook is 'Stable'.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of the Annual Report. The requisite certificate from the Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on Bombay Stock Exchange Limited. The Annual Listing fees for the financial year 2020-21 has been duly paid to the said Stock Exchange. The Company is in compliance with all applicable provisions of Listing Regulations entered with BSE.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the SEBI Listing Regulations is presented in a separate section forming part of the Annual Report.

INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/ right issues as at 31st March, 2020. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

PREVENTION, PROHIBITION & REDRESSAL OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has a zero tolerance for any abuse against Women at Workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the provisions of the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DISCLOSURES BY SENIOR MANAGEMENT

Senior Management has made disclosures of Interest to the Board relating to all material Financial & Commercial transactions entered between Company and third parties. None of the Senior Management Personnel have been found to be interested in such transactions.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from suppliers, investors, banks, all regulatory and government authorities and all other business associates. The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and looks forward to the continuance of this supportive relationship in the future. Your Directors proudly acknowledge the contribution and hard work of the employees of the Company at all levels, who, through their competence, hard work, solidarity and commitment have enabled the Company to achieve consistent growth.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place : New Delhi
Date : 28th August, 2020

Annexure – I

Form No. AOC-2
(Pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 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 thereto

1. Details of Contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Name of the related party	Nature of Relationship	Nature of Transaction	Duration of Contract	Date of Approval	Amount (₹ in lacs)	Salient Terms
M/s Khandelwal Busar Industries Private Limited	Enterprise in which Mr. Ramesh Chander Khandelwal and Mr. Pramod Khandelwal, Directors of the Company have substantial interest.	Sales	01.04.2019-31.03.2024	13.02.2019	2471.48	At prevailing Market Rate
		Purchases	01.04.2019-31.03.2024	13.02.2019	367.27	
		Job Work Expenses	01.04.2019-31.03.2024	13.02.2019	0.49	
		Rent	01.04.2020-31.03.2023	14.02.2020	24.00	

No advance were paid for the above related party transaction.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place : New Delhi
Date : 28th August, 2020

Annexure - II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2020

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

To,
The Members,
METAL COATINGS (INDIA) LIMITED
912, Hemkunt Chambers 89,
Nehru Place New Delhi -110019

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

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

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the Company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  (a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

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

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the year under review as the Company has not issued any further Share Capital);**

  (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during the Audit Period);**

  (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period);**

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

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period);**

(i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable to the Company during the Audit Period);**

(vi) The Company is engaged in Manufacturing of Cold Rolled Steel Strips/coils and HRPO steel strips/coils. These products are used by a wide range of user industries such as Auto Component, White Goods and Electrical Equipment, etc. The Company supplies the goods to many reputed companies in the domestic industry covering Satyam Auto Components Ltd., Talbros Automotive Components Ltd., Admach Auto Industries India Private Ltd., Kanin India Ltd., VNG Automotives Pvt. Ltd., etc.

For the compliances of applicable laws mention hereinabove, our examination and reporting is based on the documents, records and files as produced and shown to us by the Company. In our opinion, there are adequate systems and processes that exist in the Company to monitor and ensure compliance with specifically applicable laws.

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

(i) Secretarial Standard 1 and 2 issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

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

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings are carried out as required in terms of the law, as duly recorded and signed by the Chairman of the meeting of the Board of Directors or committees of the Board, therefore no dissenting views were required to be recorded as part of the minutes.

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

We further report that during the audit period, the Company has following specific events/actions having a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc. referred to above:

a) Due to the outbreak of Covid-19 Pandemic and resultant lockdown, physical examination of documents and records was not possible hence the documents and records were made available to us electronically.

b) During the Audit period, Mr. Ramawatar Sunar (Membership No. 10567) was appointed as the Cost Auditor of the Company for the financial year ended 31st March, 2020 in the Board Meeting held on 24th May, 2019.

c) During the Audit period, Mr. Piyush Jain (Membership No. 57000) was appointed as the Company Secretary and Compliance Officer of the Company in the Board Meeting held on 12th April, 2019.

d) During the audit period, Ms. Preeti Khatore (Membership No. 49291) resigned from the post of Company Secretary and Compliance Officer of the Company with effect from 11thApril, 2019. The Board of the Directors of the Company had accepted and took note of the resignation of Ms. Preeti Khatore.

e) Also, Mr. Santosh Khandelwal (DIN: 08279310), Additional Director of the Company and eligible for appointment as an Independent Director was appointed as the Independent Director of the Company for a term of five years commencing from November 14, 2018 to November 13, 2023 in the Annual General Meeting of the Company held on 24th September, 2019.

f) Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Rules, 2016, during the audit period 3,48,974 shares, nominal amount of which was ₹34,89,740 were transferred to the IEPF Account for the Financial Year 2011-12 and the amount credited to IEPF was ₹6,00,306.

For CPA & Co.
Company Secretaries

Sd/-
CS Yatika Tibrewal
Partner
ACS. 58585| C.P.No.: 22447

Date : 09.07.2020
Place : Gurugram
UDIN : A058585B000431496

The report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

Annexure-I to the Form No. MR-3

To,
The Members,
METAL COATINGS (INDIA) LIMITED
912, Hemkunt Chambers 89,
Nehru Place New Delhi -110019

Our report of even dates is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

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

5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For CPA & Co.
Company Secretaries

Sd/-
CS Yatika Tibrewal
Partner
ACS. 58585| C.P.No.: 22447

Date : 09.07.2020
Place : Gurugram
UDIN : A058585B000431496

Annexure - III

FORM NO. MGT. 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1994PLC063387
2.	Registration Date	12th December, 1994
3.	Name of the Company	METAL COATINGS (INDIA) LIMITED
4.	Category/Sub-category of the Company	Public Limited, Limited by shares
5.	Address of the Registered office & contact details	912, Hemkunt Chambers 89, Nehru Place, New Delhi – 110019 cs@mcilindia.net; 011-41808125; www.mcil.net
6.	Whether listed company	Yes, BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi – 110058, Phone No.: 011-41410592, 93, 94 Telefax: 011-41410591 delhi@linkintime.co.in; www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Manufacture/Job Work of cold-rolled & HRPO products of steel	24105	94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate
NIL			

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and Promoters Group									
(1) Indian									
a. Individuals/ Hindu Undivided Family	2960998	0	2960998	40.41	2960998	0	2960998	40.41	0
b. Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	1745499	0	1745499	23.82	1745499	0	1745499	23.82	0
d. Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
e. Any Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-total(A) (1)	**4706497**	**0**	**4706497**	**64.23**	**4706497**	**0**	**4706497**	**64.23**	0
(2) Foreign									
a. Individuals (Non Resident Individuals / Foreign Individuals)	70000	0	70000	0.96	70000	0	70000	0.96	0
b. Bodies Corporate	0	0	0	0	0	0	0	0	0
c. Institutions	0	0	0	0	0	0	0	0	0
d. Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e. Any Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	**70000**	**0**	**70000**	**0.96**	**70000**	**0**	**70000**	**0.96**	0
Total shareholding of Promoter and Promoter group (A) = (A)(1)+(A)(2)	**4776497**	**0**	**4776497**	**65.19**	**4776497**	**0**	**4776497**	**65.19**	**0**
B. Public Shareholding									
(1) Institutions									
a. Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
b. Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
c. Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
d. Venture Capital Funds	0	0	0	0	0	0	0	0	0

e. Insurance Companies	0	0	0	0	0	0	0	0	0
f. Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
g. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h. Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
i. Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Non-Institutions									
a. Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	214517	158057	372574	5.09	222942	105341	328283	4.48	-0.61
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	250760	143500	394260	5.38	288514	108500	397014	5.42	0.04
b. Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
c. Others (specify)									
Hindu Undivided Family	38704	0	38704	0.53	39078	0	39078	0.54	0.001
Non Resident Indians (Non Repat)	7200	0	7200	0.09	7524	0	7524	0.10	0.01
Non Resident Indians (Repat)	19085	177100	196185	2.68	19085	115500	134585	1.84	-0.84
Clearing Member	882	0	882	0.01	0	0	0	0.00	-0.01
IEPF	0	0	0	0.00	348974	0	348974	4.76	4.76
Bodies Corporate	395598	1144900	1540498	21.03	1108645	186200	1294845	17.67	-3.36
Sub-total (B)(2)	**926746**	**1623557**	**2550303**	**34.81**	**2034762**	**515541**	**2550303**	**34.81**	**0.00**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**926746**	**1623557**	**2550303**	**34.81**	**2034762**	**515541**	**2550303**	**34.81**	**0**
C. Shares held by Custodian and against which Depository Receipts have been issued	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**5703243**	**1623557**	**7326800**	**100**	**6811259**	**515541**	**7326800**	**100**	**0**

ii) Shareholding of Promoters (including Promoter Group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year - 1st April, 2019			Shareholding at the end of the year - 31st March, 2020			% change in shareholding during the year
		No. of shares	% of total shares of the company	%of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Khandelwal Galva Strips (P) Ltd.	1745499	23.82	0	1745499	23.82	0	0
2.	Pramod Khandelwal	1213390	16.56	0	1213390	16.56	0	0
3.	Ramesh Chander Khandelwal	1043858	14.25	0	1043858	14.25	0	0
4.	Anupama Khandelwal	159450	2.18	0	159450	2.18	0	0
5.	Priya Khandelwal	156500	2.13	0	156500	2.13	0	0
6.	Anjana Khandelwal	155500	2.12	0	155500	2.12	0	0
7.	Neeta Khandelwal	110900	1.51	0	110900	1.51	0	0
8.	Krishna Khandelwal	106200	1.45	0	106200	1.45	0	0
9.	Jyoti Rawat	70000	0.96	0	70000	0.96	0	0
10.	Ayodhya Prasad Khandelwal	15200	0.21	0	15200	0.21	0	0
Total		**4776497**	**65.19**	**0**	**4776497**	**65.19**	**0**	**0**

iii) Change in Promoters' Shareholding

There is no change in promoter's Shareholding during the Financial Year 2019-20.

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

Sl. No.	Name	Shareholding at the beginning of the year – 1st April, 2019		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding at the end of the year – 31st March, 2020	
		No. of Shares Held	% of Total Shares of the Company				No of Shares Held	% of Total Shares of the Company
1.	Lehartechnologies. Com Private Limited	501752	6.85				501752	6.85
	At the end of the year						**501752**	**6.85**
2.	Bondwell Financial Services Pvt. Ltd.	441100	6.02				441100	6.02
	At the end of the year						**441100**	**6.02**

3.	Investor Education And Protection Fund Authority	0	0.00	06.12.2019	348974	Transfer	348974	4.76
	At the end of the year						**348974**	**4.76**
4.	Geometal Resources Pvt. Ltd.	167300	2.28				167300	2.28
	At the end of the year						**167300**	**2.28**
5.	Technet Global Private Limited	0	0.00	06.12.2019	147400	Transfer	147400	2.01
	At the end of the year						**147400**	**2.01**
6.	Sangeetha S	0	0.00	08.11.2019	84490	Transfer	84490	1.15
	At the end of the year						**84490**	**1.15**
7.	Rajendra Prasad Gupta	51300	0.70				51300	0.70
	At the end of the year						**51300**	**0.70**
8.	Kalpana Prakash Pandey	46755	0.64	17.05.2019	240	Transfer	46995	0.65
				24.01.2020	1528	Transfer	48523	0.66
				07.02.2020	594	Transfer	49117	0.67
				06.03.2020	493	Transfer	49610	0.68
	At the end of the year						**49610**	**0.68**
9.	Vinay Khandelwal.	46700	0.64				46700	0.64
	At the end of the year						**46700**	**0.64**
10.	Sarita Arvind Sancheti	34223	0.47	06.09.2019	(101)	Transfer	34122	0.47
	At the end of the year						**34122**	**0.47**

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Directors & KMP	Shareholding at the beginning of the year – 1st April, 2019		Cumulative Shareholding at the end of the year – 31st March, 2020	
		No. of Shares Held	% of Total Shares of the Company	No. of Shares Held	% of Total Shares of the Company
1	**Mr. Pramod Khandelwal**				
	Managing Director				
	At the beginning of the year	1213390	16.56	1213390	16.56
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	**1213390**	**16.56**	**1213390**	**16.56**

2	**Mr. Ramesh Chander Khandelwal**				
	Whole time Director				
	At the beginning of the year	1043858	14.25	1043858	14.25
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	**1043858**	**14.25**	**1043858**	**14.25**
3	**Mr. Ram Awtar Sharma,** Chief Financial Officer				
	At the beginning of the year	100	0.00	100	0.00
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	**100**	**0.00**	**100**	**0.00**
4	**Mr. Piyush Jain, Company Secretary**				
	At the beginning of the year	0	0.00	0	0.00
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	**0**	**0.00**	**0**	**0.00**

Note: Independent directors do not hold any equity shares during the financial year ended 31.03.2019 and 31.03.2020

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

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	766.31	-	-	766.31
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**766.31**	**-**	**-**	**766.31**
Change in Indebtedness during the financial year				
*Addition				
*Reduction	(378.42)	-	-	(378.42)
Net Change	(378.42)	-	-	(378.42)
Indebtedness at the end of the financial year				
i) Principal Amount	387.89	-	-	387.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**387.89**	**-**	**-**	**387.89**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ In lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Pramod Khandelwal	Mr. Ramesh Chander Khandelwal	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	156.46	156.46	312.92
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	156.46	156.46	312.92
	Ceiling as per the Act (including Perquisites)	As per schedule V of Companies Act, 2013		

B. Remuneration to other directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total
1.	Independent Directors	Mr. Satish Kumar Gupta	Ms. Neha Gupta	Mr. Santosh Khandelwal	
	• Fee for attending Board / Committee meetings	36,000	12,000	12,000	60,000
	• Commission	-	-		-
	• Others, please specify	-	-		-
	Total (1)	**36,000**	**12,000**	**12,000**	**60,000**
2.	Other Non-Executive Directors	-	-		-
	• Fee for attending board committee meetings	-	-		-
	• Commission	-	-		-
	• Others, please specify	-	-		-
	Total (2)	-	-		-
	Total = (1 + 2)	**36,000**	**12,000**	**12,000**	**60,000**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ram Awtar Sharma (CFO)	Piyush Jain (Company Secretary)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.22	3.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	others, specify…		
5	Others, please specify	-	-
	Total	11.22	3.84

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place : New Delhi
Date : 28.08.2020

Annexure – IV

Statement Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2020

a. Details of Top 10 employees in terms of Remuneration drawn

Name	Age	Qualification	Date of Employment	Designation/Nature of Duties	Remuneration (₹in Lacs)	Experience (Years)	Name of the last Employer
Ramesh Chander Khandelwal	69	Mechanical Engineer	12.12.1994	Whole -time Director	156.46	47	Associate Pulp & Paper Mills Ltd.
Pramod Khandelwal	54	Chartered Accountant	15.05.1995	Managing Director	156.46	31	Hindustan Unilever Ltd.
Dileep Kumar Gautam	59	MBA Marketing	01.01.2002	GM - Marketing	22.00	38	Khemka Ispat Limited
Ram Awtar Sharma	47	Chartered Accountant	20.07.1998	Chief Financial Officer	11.22	25	Kumar Piyush & Co., Chartered Accountants
Tejender Pal	48	B. Sc.	01.08.1997	Manager - Production	8.25	25	Khemka Ispat Limited
P N Vishwarkama	55	ITI	02.07.2005	Maintenance Incharge	7.55	34	Vikash Strips Limited
Narender Parkash Garg	48	MBA Marketing	01.02.2000	Manager - Marketing	7.01	21	-
B K Sharma	42	MBA Human Resource	01.04.1997	Manager P&A	6.89	23	-
Rakesh Aggarwal	50	B. Com	04.10.1993	Deputy Manager - Commercial	6.71	27	-
Ashutosh Khare	57	B.Com	02.07.2001	Accounts Manager	5.51	31	J. P. Associates

b. List of employees of the Company employed throughout the financial year 2019-20 and were paid remuneration not less than ₹1.02 Crore per annum or ₹8.50 Lakh per month if employed for the part of the years:

Name	Age	Qualification	Date of Employment	Designation/ Nature of Duties	Remuneration (₹ in Lacs)	Experience (Years)	Name of the Last Employer
Ramesh Chander Khandelwal	69	Mechanical Engineer	12.12.1994	Whole -time Director	156.46	47	Associate Pulp & Paper Mills Ltd.
Pramod Khandelwal	54	Chartered Accountant	15.05.1995	Managing Director	156.46	31	Hindustan Unilever Ltd.

Notes:

i. Remuneration does not includes retirement benefits.

ii. Nature of Employment in all cases is contractual.

iii. None of the employee is covered under Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place : New Delhi
Date : 28.08.2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE

The Company is engaged in the manufacture and sale of Cold Rolled Steel Strips and HRPO steels trips/coils. The company is thus operating in the steel sector. Products of the Company are used by a wide range of user industries such as Auto Components, Consumer Durables, Electrical Equipment amongst others.

OPPORTUNITIES AND OUTLOOK

India continues to be among the fastest growing steel markets in the world and surpassed Japan to become the world's second largest steel producer in 2019 with crude steel production of 111.2 million tonnes (MT). In India, as per Indian Steel Association (ISA), steel demand is estimated to grow 7.2 per cent in FY20 and FY21. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The National Steel Policy, 2017 envisage 300 million tonnes of production capacity and 160 kgs per capita steel consumption by 2030-31. Government of India has also taken several initiative to give boost to the domestic steel Industry including introduction of Steel Scrap Recycling Policy, focusing on infrastructure and restarting road projects, facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore etc. and these coupled with the other factor as easy availability of low cost man power and presence of abundant iron ore reserves make India competitive in the global setup.

RISKS, THREATS AND CONCERNS

For most of the financial year 2019-20, the global steel industry faced a number of challenges due to global demand and geopolitical tensions which have affected the shape of the business environment in which we operate. This was further worsened due to the onset of the COVID-19 pandemic in the final quarter of the year, which ushered in a new reality for industries across the world. Global GDP growth eased to 2.9% in 2019, against an initial growth projection of 3.5%. In India, growth slowed to 4.2% in financial year 2019-20 against an initial growth projection of 7.5% in the beginning of the year. The impact of the slowing economy was also felt in the global steel sector. Global crude steel production reached 1,870 MnT in 2019, registering a more modest growth of 3.4% in 2019 against 4.6% in 2018. The Indian steel sector registered a stark easing of growth to 1.8% in 2019 compared to 7.7% growth in the previous year. Domestic steel prices declined sharply in financial year 2019-20 around 15% yearon- year basis due to weak demand from key industries including automobile, construction, and consumer durables coupled with overcapacity in China. As we look ahead, it is important to gauge COVID-19's unprecedented impact on the global economy. It is expected that global growth will contract by over 3% in 2020, the worst contraction since the 1930s. Furthermore, the increasingly competitive environment is putting pressure on steel companies to search for better ways to outperform their competitors in the market. Your Company is vigilant and continue to take proactive steps to mitigate all the challenges including posed by covid-19 pandemic. Measures taken during the previous years were continued by your Company to outweigh the risk such as substantial reduction in its reliance on the auto sector and diversifying into other user industries.

FINANCIAL PERFORMANCE

(₹ in Lakhs)

Particulars	For the year ended on 31.03.2020	For the year ended on 31.03.2019
Revenue from Operation	**12016.98**	15406.47
Other Income	**79.83**	85.90
Profit before Finance Cost	**396.39**	458.09
Finance Cost	**9.76**	50.18
Profit before Tax	**386.63**	407.91
Tax	**101.16**	100.58
Profit after Tax	**285.47**	307.33

HUMAN RESOURCES

People management is the back bone of your Company and it is regarded as one of the important resources for the success of Company. The Company strongly believes that the employees' welfare, development and their performance are important contributors to the Company. The Whistle Blower Policy plays an important role as a watchdog. The Company's total permanent employee strength as on 31st March, 2020 stood at 79

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate internal control system which is commensurate with the nature of its business and the size and complexity of its operations. This internal control system, its adequacy and its effectiveness is periodically reviewed by the Audit Committee. These systems have been designed to ensure optimal utilization of resources, accurate and timely reporting of financial transactions, complying with applicable statute and safeguarding the assets from unauthorised use. The Audit Committee also monitors the implementation of audit recommendations including those relating to strengthening of the company's risk management policies and systems.

KEY FINANCIAL RATIOS

Particulars	2019-20	2018-19
Debtors Turnover	**4.66**	5.98
Inventory Turnover	**26.57**	22.66
Interest Coverage Ratio	**40.61**	9.13
Current Ratio	**4.74**	2.94
Debt Equity Ratio	**0.30**	0.50
Operating Profit Margin (%)	**3.30**	2.97
Net Profit Margin (%)	**2.38**	1.99
Return on Net Worth	**9.85**	11.51
Earnings per Share (EPS) (₹)	**3.90**	4.19

There is a significant change (i.e. changes of 25% or more as compared to immediate previous financial year) in Interest Coverage Ratio, Current Ratio and Debt Equity Ratio and this is due to major reduction in bank borrowing of the Company and this was achieved through strong financial discipline coupled with the better cash flow management

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Corporate Governance Report of the Company is given below:

1. Company's Philosophy on Code of Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all.

Your Company has a strong legacy of adopting Corporate Governance practices as per changing statutory requirements. The Corporate Governance practices of the Company derive their essence from the provisions of Companies Act, 2013 (the "Act") and SEBI Listing Regulations. Your Company continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit.

2. Board of Directors

The Board of Directors of the Company functions subject to the provisions of the Act, SEBI Listing Regulations and Articles of Association of the Company.

(i) Size and Composition of the Board

The Board of the Company represents an appropriate mix of executive and non-executive directors to maintain its independence and separates its functions of Governance and Management. The Board of the Company as on 31st March, 2020 consists of five (5) Directors of which two (2) are Executive Directors and three (3) are Independent Directors including one (1) Woman Director.

The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints. The composition of the Board of Directors is in conformity with the requirements of Regulation 17(1) of the SEBI Listing Regulations. Brief profile of Directors of the Company is available on the website of the Company at www.mcil.net.

(ii) Board Meetings

The Board of Directors of the Company are vested with the responsibility to oversee the overall functioning of the Company and lay down policies to enable the Company to attain its objectives and achieve its vision. The Board meets at regular intervals to discuss and decide on Company / business policy and strategy in addition to the Statutory and other matters.

The Board of Directors of the Company met (6) six times during the financial year 2019-20 with clearly defined agenda circulated well in advance before each meeting. The maximum time gap between any two consecutive meetings did not exceed 120 days. The details of board meetings held during the financial year 2019-20 are given below:

No. of Board Meetings of the F.Y. 2019-20	Board Meeting Date	Board Strength	No. of Directors Present	% of Attendance of Board Meeting
1	12.04.2019	5	4	80
2	24.05.2019	5	4	80
3	12.08.2019	5	4	80
4	14.11.2019	5	4	80
5	17.01.2020	5	4	80
6	14.02.2020	5	4	80

Details of attendance of Directors at Board Meetings held during the period under review and at the last Annual General Meeting (AGM) held on 24th September, 2019, with particulars of their Directorships and Chairmanship/Membership of Board Committees of other public limited companies and listed companies (as per the disclosures received from Directors) showing the position as on 31st March, 2020 are given below:

Name of Director (Shri/Smt.)	Pramod Khandelwal (Managing Director)	Ramesh Chander Khandelwal (Chairman & Whole Time Director)	Satish Kumar Gupta (Independent Director)	Neha Gupta (Independent Director)	Santosh Khandelwal (Independent Director)
No. of Board Meetings held and attended	6 of 6	6 of 6	6 of 6	3 of 6	3 of 6
Attendance of last AGM (24th September, 2019)	Yes	Yes	Yes	No	Yes
No. of Shares held in the Company	12,13,390	10,43,858	-	-	-
No. of Directorships held in other Companies*	NIL	NIL	NIL	NIL	NIL
No. of Committee(s) Membership held in other Companies#	NIL	NIL	NIL	NIL	NIL
Category of Directorship in other listed entities	-	-	-	-	-

* : Other directorships do not include Directorship as alternate directorships, directorships of private limited companies, companies incorporated under section 8 of the Act and of companies incorporated outside India.

: Memberships of the Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies.

Notes:

a) None of the directors of the Company holds office of director at any point of time in more than ten (10) public companies including seven (7) listed companies.

b) None of the directors of the Company is a member in more than ten (10) committees or a chairperson of more than five (5) committees across all the companies in which he is a director.

c) None of the whole time directors of the Company is serving as an independent director in more than three listed companies.

d) None of the independent directors of the Company is serving as an independent director in more than seven (7) listed companies.

e) Both the Executive Directors i.e. Mr. Ramesh Chander Khandelwal, Chairman & Whole Time Director and Mr. Pramod Khandelwal, Managing Director of the Company are not related to each other.

f) The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees paid to them during the year.

g) The Company has not issued any convertible instrument till date, therefore, none of the Independent Directors hold any such instrument.

(iii) Independent Directors

In the opinion of the Board, all the Independent Directors of the Company meet the definition of Independent Director and is in conformity with the requirements of Schedule IV to the Act and Regulation 17 of the SEBI Listing Regulations and are independent of the management. At the beginning of each financial year, the Independent Directors submit a self-declaration, conforming their independence and compliance with various eligibility criteria, among other disclosures. All such declarations are placed before the Board for information and noting. None of the Independent Directors is related

to the promoter or other Directors of the Company and do not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees paid to them during the year. None of the Independent Directors has resigned from the Company during the year 2019-20.

(iv) Meeting of Independent Directors

During the financial year 2019-20, Independent Directors met once separately on 17th January, 2020 without the presence of Executive / Non Independent Directors and members of Management and evaluated:

a) The performance of Non Independent Directors, Managing Director, the Board and the committees thereof;

b) The performance of the Chairman, taking into account the views of Executive and Non-Executive Directors; and

c) The quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(v) Performance Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

(vi) Familiarization Programme for Independent Directors

Independent Directors are periodically updated by the Company with the Company's policies, business, on – going events and roles and responsibilities of the Directors. Executive Management, through presentations at Board and Committee Meetings, provides them regular updates on the Company including financial and business performance, operational highlights, business risks and their mitigation plans, new offerings, major clients, material litigations, regulatory compliance status and relevant changes in statutory regulations. Details of such familiarization programs are posted on the website of the Company at www.mcil.net.

(vii) Key Board skills, expertise and competencies

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

Skills	Details	Name of Director(s)
Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the company before internal and external stakeholders.	Mr. Pramod Khandelwal and Mr. Ramesh Chander Khandelwal
Management	Knowledge or expertise or understanding of sound management and business principles or experience of working in senior management position of any organization.	Mr. Pramod Khandelwal and Mr. Santosh Khandelwal
Financial Expertise	An understanding of financial statements and the accounting principles used by the company to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the company.	Mr. Pramod Khandelwal, Mr. Satish Kumar Gupta and Ms. Neha Gupta

Strategy Development and Implementation	Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.	Mr. Pramod Khandelwal and Mr. Santosh Khandelwal
Legal and Regulatory	Understanding of the regulatory environment under which the Company operates along with exposure in handling regulatory matters with a listed company or major organization and/or experience providing legal/regulatory advice and guidance within a complex regulatory regime.	Mr. Pramod Khandelwal and Mr. Ramesh Chander Khandelwal
Technical	Experience in Manufacturing, Production process and other technical aspects of the Business, and Development knowledge for new products and product lines.	Mr. Ramesh Chander Khandelwal

3. Board Committees

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board. They make specific recommendations to the Board on matters in their areas or purview. To enable better and more focused attention on the affairs of the Company, Board has constituted the statutory Committees namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The composition, quorum, terms of reference, etc. of the statutory committees are in line with the provisions of the Act and SEBI Listing Regulations. There was no instance during the year, where the Board had not accepted recommendation(s) of committee(s) of the board which is mandatorily required to be recommended by the committee(s) for the approval of the Board of Directors.

3.1 Audit Committee

A. Composition, Meetings and Attendance

Composition of the Audit Committee confirms the requirements of Section 177 of the Act and the SEBI Listing Regulations. There were four (4) Audit Committee meetings held during the financial year 2019-20 viz. 24.05.2019, 12.08.2019, 14.11.2019 and 14.02.2020. The time interval between any two Audit Committee meetings had not exceeded one hundred and twenty days. The composition and the attendance of members at the Audit Committee meetings held during the financial year 2019-20, are given below:

Name of Director/ Category	**Mr. Satish Kumar Gupta Chairman – Independent Director**	**Ms. Neha Gupta Member – Independent Director**	**Mr. Santosh Khandelwal Member – Independent Director**
No. of Meetings held and attended	4 of 4	3 of 4	1 of 4
% of Meetings attended	100	75	25

The necessary quorum was present at all the meetings.

All the members of the Committee are financially literate and having the requisite financial management expertise. Mr. Satish Kumar Gupta, Independent Director of the Company, chaired all the meetings held during the Financial Year 2019-20. The Company Secretary acts as the Secretary to Audit Committee. As and when required, other senior management personnel of the Company are invited to the Audit Committee meetings. The Chairperson of the Audit Committee was present in the last AGM of the Company to answer the queries of the shareholders.

B. Terms of Reference

Audit committee of your Company have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the audit committee and the information to be reviewed by the audit committee (as per the Act and SEBI Listing Regulations) includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

  a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

  b) Changes, if any, in accounting policies and practices and reasons for the same;

  c) Major accounting entries involving estimates based on the exercise of judgment by management;

  d) Significant adjustments made in the financial statements arising out of audit findings;

  e) Compliance with listing and other legal requirements relating to financial statements;

  f) Approval & Disclosure of the related party transactions as per policy of the Company;

  g) modified opinion(s) in the draft audit report;

- Scrutiny of inter-corporate loans and investments.
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Reviewing the following information:
  a) Management discussion and analysis of financial condition and results of operations;
  b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  d) Internal audit reports relating to internal control weaknesses;
  e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
  f) Statement of deviations:
     (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
     (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

3.2 Nomination and Remuneration Committee

A. Composition, Meetings and attendance

Composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Act and the SEBI Listing Regulations. During the year, one meeting of Nomination and Remuneration Committee was held on 12.04.2019. The composition and the attendance of members at the Nomination & Remuneration Committee meetings held during the financial year 2019-20, are given below:

Name/ Category	Mr. Satish Kumar Gupta Chairman – Independent Director	Ms. Neha Gupta Member – Independent Director	Mr. Santosh Khandelwal Member – Independent Director
No. of Meetings held and attended	1 of 1	0 of 1	1 of 1
% of Meetings attended	100	0	100

The necessary quorum was present at all the meetings.

B. Terms of reference

The Terms of Reference of Nomination and Remuneration Committee *inter-alia* includes:

a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of performance of every Director.

b) Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

c) Determine/review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).

d) Devising a policy on diversity of Board of Directors.

e) Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel.

f) Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.

g) Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.

h) Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.

i) Consider other matters, as from time to time be referred to it by the Board.

C. Nomination and Remuneration Policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the timely appraisal process.

The Nomination and Remuneration Policy of the Company has been disseminated on the website of the Company at www.mcil.net.

D. Directors' Performance Evaluation Policy

The Nomination and Remuneration Committee has laid down the process and mechanism for evaluating the performance of the Board, its Committees, individual Directors and Chairman of the Board. The Board has carried out annual performance evaluation of the Board, its committees, individual Directors including the Chairman of the Board, as per its policy. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

E. Details of Remuneration of Executive Directors for the Financial Year 2019-20

Remuneration to Executive Directors is paid based on the recommendation of the Nomination and Remuneration Committee as approved by the Board and shareholders. The Company does not have any stock option scheme at present. The details of remuneration paid to executive directors are as under:

Amount in Rupees

Name and Designation	Mr. Ramesh Chander Khandelwal Chairman & Whole Time Director	Mr. Pramod Khandelwal Managing Director
Salary	86,40,000	86,40,000
House Rent Allowance	28,80,000	28,80,000
Conveyance Allowance	28,80,000	28,80,000
Encashment of earned Leaves	12,46,154	12,46,154
Total	**156,46,154**	**156,46,154**

F. Details of Sitting Fees paid to Independent Directors for the Financial Year 2019-20

The Independent Directors of the Company are entitled to the sitting fees of ₹2,000/- each for attending each Board/ Committee Meetings of the Company, the details of the sitting fee paid for the Financial Year ended 31st March, 2020 are as under.

Name	Mr. Satish Kumar Gupta	Ms. Neha Gupta	Mr. Santosh Khandelwal
Sitting Fees	36,000	12,000	12,000

Except for the above, there has been no pecuniary relationship or transactions of the Independent Directors vis-à-vis the Company during the year under review.

3.3 Stakeholders Relationship Committee

A. Composition, Meetings and Attendance

Composition of the Stakeholders Relationship Committee, given hereunder, is in compliance with Section 178 of the Act and SEBI Listing Regulations. The Committee is chaired by Mr. Satish Kumar Gupta, Independent Director of the Company. There were Six (6) Stakeholders Relationship Committee meetings held during the financial year 2019-20 viz. 12.04.2019, 24.05.2019, 12.08.2019, 14.11.2019, 17.01.2020 and 14.02.2020.

The composition and the attendance of members at the Stakeholder Relationship Committee meetings held during the financial year 2019-20, are given below:

Name of Director/ Category	Mr. Satish Kumar Gupta Chairman – Independent Director	Mr. Pramod Khandelwal Member – Managing Director	Mr. Ramesh Chander Khandelwal Member – Chairman & Whole Time Director
No. of Meetings held and attended	6 of 6	6 of 6	6 of 6
% of Meetings attended	100	100	100

The necessary quorum was present at all the meetings.

B. Terms of Reference

The role of the committee shall inter-alia include the following:

i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Review of measures taken for effective exercise of voting rights by shareholders.

iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

C. Name and Designation of Compliance Officer

Mr. Piyush Jain, Company Secretary was the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulation for the year 2019-20. He has resigned the office w.e.f 20th June, 2020. Mr. Kapil Sharma is currently acting as Company Secretary & Compliance Officer of the Company.

D. Stakeholders Grievance Redressal

The Secretarial Department and the Registrar and Share Transfer Agent of the Company attend all grievances received from the shareholders either directly or through SEBI Complaints Redress System (SCORES), Stock Exchanges and Registrar of Companies. Efforts are made to ensure that all the grievances of the shareholders are redressed expeditiously and satisfactorily.

Details of the complaints/correspondences received from the shareholders and redressed upto their satisfaction during the financial year 2019-20 is as follows:

No. of complaints pending at the beginning of the financial year i.e. 1st April, 2019	NIL
No. of complaints received during the financial year	50
No. of complaints resolved during the financial year	50
Complaints pending at the end of the financial year i.e. 31st March, 2020	Nil

4. General Body Meetings

Details of last three Annual General Meetings of the Company are as given below:

Financial Year	Day, Date and Time of Meeting	Venue	Special Resolutions passed
2016-17	Friday, 22nd September, 2017 at 10:30 a.m. (IST)	Robotics Hall, ISKON Complex, Sant Nagar Main Road, East of Kailash, New Delhi – 110065	N/A
2017-18	Wednesday, 19th September, 2018 at 10:30 a.m. (IST)	Hotel – The Legend INN, E-4, East of Kailash, New Delhi - 110065	1. Re-appointment of Mr. Satish Kumar Gupta (DIN:03558083) as an Independent Director of the Company 2. Re-appointment of Ms. Neha Gupta (DIN:06948920) as an Independent Director of the Company 3. Re-appointment of Mr. Ramesh Chander Khandelwal (DIN:00124085) as Whole Time Director of the Company 4. Re-appointment of Mr. Pramod Khandelwal (DIN:00124082) as Managing Director of the Company
2018-19	Tuesday, 24th September, 2019 at 10:30 a.m. (IST)	Hotel – The Legend INN, E-4, East of Kailash, New Delhi - 110065	N/A

No Special Resolution was passed through Postal Ballot during 2019-20.

5. Means of Communication

The Quarterly/Half Yearly/Annual Financial Results of the Company are announced within the time frame specified in SEBI Listing Regulations. These are forwarded to BSE Limited, where the Company's shares are listed and also published in one leading national (English) Financial Express Paper and in one vernacular (Hindi) Jansatta Paper. The Financial Results are also displayed on the Company's website www.mcil.net and Stock Exchange website www.bseindia.com.

Further, company's website www.mcil.net contains separate dedicated section 'Investors' where the information for shareholders such as Annual Report, Shareholding Pattern and Corporate Governance Report etc. are available in a user friendly manner.

6. General Shareholder Information

(i) Annual General Meeting:

Day, Date and Time	**Tuesday, 29th September 2020 at 11:30 A.M.**
Venue	**VC/OAVM**

(ii) Financial Year: 1st April, 2020 to 31st March, 2021

(iii) Unclaimed Dividends and Transfer to IEPF

Pursuant to the applicable provisions of the Companies Act, 2013 read with of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investors Education and Protection Fund (IEPF) established by the Central Government of India, after the completion of seven years. Further, according to Section 124(6) of the Companies Act, 2013 and the rules made there in, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

Accordingly during the year under review, Company has transferred an amount of ₹6,00,306 unpaid or unclaimed dividend for the Financial Year 2011-12 on 28th November, 2019 to the Investors Education and Protection Fund established by the Central Government under Section 125 of the Act. The Company has also transferred 3,48,974 shares to IEPF for which dividend has not been paid or claimed for seven consecutive years. The shareholders, who have not yet claimed any of their dividends which is not yet transferred to IEPF, are requested to contact the Company / RTA of the Company for claiming the same.

(iv) Listing on Stock Exchange:

Equity Shares of the Company are listed and traded on BSE Limited (BSE).

Scrip Code: 531810

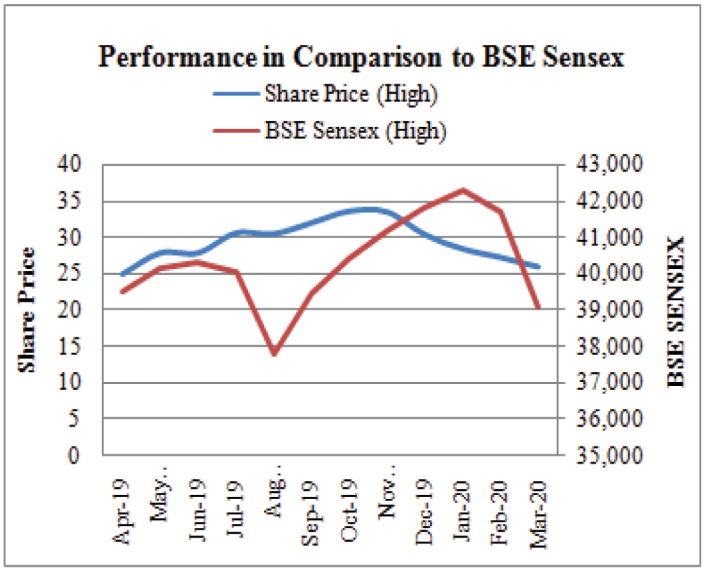
ISIN : INE161E01014

The Annual Listing fees for the Financial Year 2020-21 has been duly paid to the said Stock Exchange within the prescribed time.

(v) Market Price Information:

The reported high and low share prices during the year ended 31st March, 2020 on BSE, where your Company's shares are traded vis-à-vis BSE Sensex, are given below:

Month	BSE		BSE Sensex	
	High	Low	High	Low
April, 2019	25.00	25.00	39,487.45	38,460.25
May, 2019	27.90	24.90	40,124.96	36,956.10
June, 2019	27.90	24.90	40,312.07	38,870.96
July, 2019	30.60	27.90	40,032.41	37,128.26
August, 2019	30.50	30.50	37,807.55	36,102.35
September, 2019	32.00	30.50	39,441.12	35,987.80
October, 2019	33.60	31.95	40,392.22	37,415.83
November, 2019	33.50	30.40	41,163.79	40,014.23
December, 2019	30.40	27.10	41,809.96	40,135.37
January, 2020	28.45	25.10	42,273.87	40,476.55
February, 2020	27.30	25.00	41,709.30	38,219.97
March, 2020	26.00	26.00	39,083.17	25,638.90



(vi) Registrar & Share Transfer Agent (RTA):

M/s. Link Intime India Private Limited
Noble Heights, 1st Floor, NH-2, C-1 Block LSC, Near Savitri Market, Janakpuri
New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

(vii) Share Transfer System

All the requests received from shareholders for transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 or in any other applicable law.

(viii) Share Capital Reconciliation Audit

The Company has engaged a qualified practicing Company Secretary to carry out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/paid -up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(ix) Shareholding:

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

Group of Shares	Shareholders		No. of Shares	
	Number	% to total	Shares	% to total
1-500	760	78.35	75097	1.03
501-1000	82	8.46	67351	0.92
1001-2000	37	3.81	58722	0.80
2001-3000	26	2.68	66036	0.90
3001-4000	6	0.62	21943	0.30
4001-5000	9	0.93	42457	0.58
5001-10000	17	1.75	118973	1.62
10001- Above	33	3.40	6876221	93.85
TOTAL	**970**	**100**	**7326800**	**100**

B. Shareholding Pattern as on 31st March, 2020

S. No.	Category	No. of Shares held	% of Share holding
1	Promoters & Promoter Group	4776497	65.19
2	Other Bodies Corporate	1294845	17.67
3	General Public	725297	9.90
4	Investor Education and Protection Fund (IEPF)	348974	4.76
5	Non-Resident Indians (NRIs)	142109	1.94
6	Hindu Undivided Family (HUFs)	39078	0.54
GRAND TOTAL		**7326800**	**100**

(x) Dematerialization of shares and liquidity

The shares of the Company are compulsorily traded in demat form and are available for trading under both the Depository Systems in India – National Securities Depository Limited (the "NSDL") and Central Depository Services (India) Limited (the "CDSL"). As on March 31, 2020, a total of 73,26,800 shares of the Company, 68,11,259 shares constituting 92.96% of the total Share Capital, were in demat form. Details of the Demat and Physical Shareholding of the Company are as under:

	Total Shares	Percentage (%)
Shares in dematerialized form with NSDL	21,43,417	29.25
Shares in dematerialized form with CDSL	46,67,842	63.71
Physical	5,15,541	07.04
Total	**73,26,800**	**100**

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

(xii) Plant Locations:

(a) Sector – 45, Meola Maharajpur, Faridabad – 121 003, Haryana

(b) Plot No. -113, HSIIDC Industrial Estate, Sector – 59, Faridabad – 121 004, Haryana

7. Other Disclosures

(i) Related Party Transactions

The particulars of transactions between the Company and its related parties are as per the Indian Accounting Standard 24 "Related Party Disclosures" prescribed by the Companies (Indian Accounting Standards) Rules, 2015 are disclosed in the Annual Accounts (Note No. 33). During the year, the Company had taken omnibus approval from Audit Committee for all the related party transactions. There were no transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis. The policy on dealing with Related Party Transactions is available at Company's website at www.mcil.net.

(ii) Compliances

The Company has complied with all the applicable provisions of Listing Regulations, other guidelines/regulations issued by the Securities and Exchange Board of India (SEBI) and applicable provisions of other statutes. The Company has complied with all the mandatory requirements as per the provisions of Regulation 34 and Schedule V of the Listing Regulations.

There have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any such other statutory authority.

(iii) Vigil Mechanism and Whistle Blower Policy

As per the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistle blowers ("the Whistle blower Policy"). This policy encourages the employees, to come forward and report genuine concerns about unethical behaviour, actual or suspected frauds to Ombudsman / Audit Committee. The identity of the reporting employee is kept confidential. The matter is investigated thoroughly and the findings are reported to the Audit Committee for proper actions. During the financial year no employee was denied access to the Audit Committee. Policy is available on the website of the Company at www.mcil.net.

(iv) Mandatory and Non – Mandatory Compliance

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with the mandatory requirements in respect of Corporate Governance to the extent applicable as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In addition, the Company has also adopted the following non-mandatory requirements under the Listing Regulations as on 31st March, 2020 to the extent mentioned below:

- The Company has separate posts of Chairman and Managing Director.
- The Internal Auditors report directly to the Audit Committee of the Company.
- The Company is already in No Audit Qualifications regime.

(v) Proceeds from Public Issues, Right Issues, Preferential Issues etc.

During the financial year ended 31st March, 2020, the Company has not raised any money from public issues, right issues, preferential issues etc.

(vi) Sexual Harassment of Women at Workplace

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(vii) Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/ right issues as at 31st March, 2020. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

(viii) Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 which became effective from 15th May 2015, the Company has inter alia devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company had amended the Code of conduct (Insider Trading) and Code of fair disclosure (Insider Trading), Inserted by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (w.e.f. 1st April, 2019). Company Secretary is the Compliance Officer for the purpose of this code. During the year there has been due compliance of the code.

ADDRESS FOR CORRESPONDENCE

a. For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agent directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID no./Client ID No., number of shares held etc.

M/s. Link Intime India Private Ltd.
Noble Heights, 1st Floor, NH-2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058
Phone No.: 011-41410592, 93, 94
Telefax: 011-41410591
E-mail: delhi@linkintime.co.in

b. For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the attention of Mr. Kapil Sharma, Company Secretary & Compliance Officer of the Company at the following address:

Metal Coatings (India) Limited
912, Hemkunt Chambers 89, Nehru Place, New Delhi – 110019
Tel: 011-41808125
E-mail: info@mcilindia.net

Members can also register their complaints at cs@mcilindia.net, an email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation 6(2)(d) of SEBI Listing Regulations.

For and behalf of the Board of Directors

Sd/-
Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place : New Delhi
Date : 28.08.2020

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2020 as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Metal Coatings (India) Limited

sd/-
Pramod Khandelwal
Managing Director
DIN: 00124082

Place : New Delhi
Date : **29th July 2020**

CEO/CFO CERTIFICATION

To,
The Board of Directors of
Metal Coatings (India) Limited
912, Hemkunt Chambers, 89
Nehru Place, New Delhi - 110019

A. We have reviewed financial statements and the cash flow statement of Metal Coatings (India) Limited for the year ended 31st March, 2020 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

(1) that there has not been any significant change in internal control over financial reporting during the year under reference;

(2) that there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and

(3) that we are not aware of any instance during the year of significant fraud with the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-
(Pramod Khandelwal)
Managing Director & CEO
DIN: 00124082

sd/-
(R. A. Sharma)
Chief Financial Officer

Place : New Delhi
Date : 29th July, 2020

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Practicing Company Secretary's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Metal Coatings (India) Limited

This report contains details of compliance of conditions of corporate governance by Metal Coatings (India) Limited ('the Company') for the year ended 31st March, 2020 as stipulated in Regulations 17 to27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Practicing Company Secretary's Responsibility

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

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations as applicable.

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

Restriction on use

The certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For Mehak Gupta & Associates
Company Secretaries

Sd/-
Mehak Gupta
(Proprietor)
CP No.- 15013
FCS 10703

UDIN: F010703B000626186

Date : 28th August 2020
Place : New Delhi

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
Metal Coatings (India) Limited
912, Hemkunt Chambers 89,
Nehru Place, New Delhi -110019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Metal Coatings (India) Limited [CIN L74899DL1994PLC063387] and having registered office at 912, Hemkunt Chambers 89, Nehru Place, New Delhi-110019 (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, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Pramod Khandelwal	00124082	15/05/1995
2.	Ramesh Chander Khandelwal	00124085	12/12/1994
3.	Satish Kumar Gupta	03558083	24/06/2011
4.	Neha Gupta	06948920	13/08/2014
5.	Santosh Khandelwal	08279310	14/11/2018

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

For Mehak Gupta & Associates
Practicing Company Secretaries

Sd/-
Mehak Gupta
(Proprietor)
FCS 10703
CP No. 15013

UDIN: F010703B000626208

Date : 28th August 2020
Place : Delhi

Independent Auditors' Report

To the Members of

METAL COATINGS (INDIA) LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Metal Coatings (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditors' report thereon.

Our opinion on the 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements, management and Board of Directors are 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the 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 Ind AS 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 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 auditors' 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 Ind AS financial statements, including the disclosures, and whether the 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

   (g) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2020 on its financial position in its Ind AS financial statements - Refer Note 34 to the Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

      iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these Ind AS financial statements since they do not pertain to the financial year ended 31 March 2020.

3. With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Vinod Kumar & Associates
Chartered Accountants
FRN-002304N

Sd/-
Mukesh Dadhich
Partner
M.No. 511741
UDIN: 20511741AAAAHV2422

Date : 29th July, 2020
Place : New Delhi

Annexure A to the Independent Auditors' Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2020, we report the following:

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

(b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(ii) The Company has been regular in following the procedures of physical verification of inventories which is reasonable and adequate in relation to the size of the company and the nature of its business.

In our opinion and on the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancies were observed on physical verification done by the management.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties, mentioned in the register maintained under section 189 of the Companies Act, 2013. Since, the company has not granted any loans, provisions of clause (iii) (a) to (iii) (c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, securities and guarantees given.

(v) The Company has not accepted any deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.

(vi) On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the central government under section 148 of the act in respect of the products of "the company" covered under the rules under said section have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, duty of excise, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations and records of the company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax and cess which have not been deposited by the company on account of any dispute are as follow:

Nature of statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (₹ In lakhs)
Income Tax Act, 1961	Income Tax	AY 2012-13	Assessing Officer	2.43
Income Tax Act, 1961	Income Tax	AY 2013-14	Assessing Officer	0.48
Income Tax Act, 1961	Income Tax	AY 2016-17	Assessing Officer	0.28

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Vinod Kumar & Associates
Chartered Accountants
FRN-002304N

Sd/-
Mukesh Dadhich
Partner
M.No. 511741
UDIN: 20511741AAAAHV2422

Date : 29th July, 2020
Place : New Delhi

Annexure B to the Independent Auditors' Report

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

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

We have audited the internal financial controls with reference to Ind AS financial statements of **Metal Coatings (India) Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the 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 with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by 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 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 control system with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Vinod Kumar & Associates
Chartered Accountants
FRN-002304N

Sd/-
Mukesh Dadhich
Partner
M.No. 511741
UDIN: 2051141AAAAHV2422

Date : 29th July, 2020
Place : New Delhi

METAL COATINGS (INDIA) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	**517.13**	538.96
Deferred Tax Assets (Net)	14	**14.12**	8.44
Other non-current assets	3	**10.49**	10.66
Total Non-current assets		**541.74**	**558.06**
Current assets			
Inventories	4	**309.85**	594.67
Financial Assets			
- Investments	5	**127.30**	-
- Trade receivables	6	**2,422.34**	2,731.16
- Cash and cash equivalents	7	**256.56**	8.87
- Other bank balances	8	**34.73**	56.53
- Loans Receivables	9	**3.28**	4.46
Current Tax Assets (Net)		**33.27**	33.26
Other current assets	10	**27.07**	22.88
Total Current assets		**3,214.40**	**3,451.83**
Total Assets		**3,756.14**	**4,009.89**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	**732.68**	732.68
Other Equity	12	**2,166.81**	1,937.80
Total Equity		**2,899.49**	**2,670.48**
LIABILITIES			
Non-current liabilities			
Provisions	13	**178.82**	166.71
Total Non-current liabilities		**178.82**	**166.71**
Current liabilities			
Financial Liabilities			
- Borrowings	15	**387.89**	766.31
- Trade payables			
Dues of Micro and Small enterprises	16	**11.26**	88.32
Dues of creditors other than Micro and Small enterprises	16	**9.75**	1.03
- Other financial liabilities	17	**115.81**	116.98
Other current liabilities	18	**23.37**	44.35
Provisions	19	**127.85**	128.44
Current Tax Liabilities (Net)		**1.90**	27.27
Total current liabilities		**677.83**	**1,172.70**
Total Equity and Liabilities		**3,756.14**	**4,009.89**
Significant Accounting Policies	1		
See accompanying notes to the financial statements	2 to 37		

In terms of our annexed report of even date

For Vinod Kumar & Associates
Chartered Accountants
FRN No. 002304N

(MUKESH DADHICH)
Partner
Membership No. 511741

Date : 29.07.2020
Place : New Delhi

For and on behalf of the Board

R. C. Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Kapil Sharma
Company Secretary
PAN : FTKPS4212N

R.A. Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

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

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
INCOME			
Revenue From Operations	20	**12,016.98**	15,406.47
Other income	21	**79.83**	85.90
Total Income		**12,096.81**	**15,492.37**
EXPENSES			
Cost of materials consumed	22	**9,695.61**	13,229.66
Changes in inventories of finished goods, and work in progress	23	**256.26**	(49.32)
Employee benefits expense	24	**622.00**	580.15
Finance costs	25	**9.76**	50.18
Depreciation and amortisation expense	2	**55.83**	63.58
Other expenses	26	**1,070.72**	1,210.21
Total expenses		**11,710.18**	**15,084.46**
Profit/(loss) before tax		**386.63**	**407.91**
Tax expense			
a) Current tax	27	**102.76**	112.63
c) Deferred tax	14	**(1.60)**	(12.05)
Total Tax Expenses		**101.16**	**100.58**
Profit for the year		**285.47**	**307.33**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	24.2	**(16.20)**	(48.95)
(ii) Income tax relating to items that will not be reclassified to profit or loss		**4.08**	13.62
B (i) Items that will be reclassified to profit or loss			-
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total other Comprehensive Income for the year		**(12.12)**	**(35.33)**
Total Comprehensive Income for the year		**273.35**	**272.00**
Earnings per equity share of face value of ₹10 each			
a) Basic (₹)	28	**3.90**	4.19
b) Diluted (₹)	28	**3.90**	4.19
Significant Accounting Policies	1		
See accompanying notes to the financial statements	2 to 37		

In terms of our annexed report of even date

For Vinod Kumar & Associates
Chartered Accountants
FRN No. 002304N

(MUKESH DADHICH)
Partner
Membership No. 511741

Date : 29.07.2020
Place : New Delhi

For and on behalf of the Board

R. C. Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Kapil Sharma
Company Secretary
PAN : FTKPS4212N

R.A. Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A. EQUITY SHARE CAPITAL (₹ in Lakhs)

Balance at the beginning of the reporting period i.e. 01st April, 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March, 2020
732.68	--	732.68

B. OTHER EQUITY (₹ in Lakhs)

Particulars	Reserves & Surplus				
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 1st April, 2019	6.14	135.59	26.16	1,769.91	1,937.80
Total Comprehensive Income for the year	-	-	-	273.35	273.35
Dividends	-	-	-	(36.64)	(36.64)
Tax on dividend	-	-	-	(7.70)	(7.70)
Transfer to / (from) retained earnings	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2020	6.14	135.59	26.16	1,998.92	2,166.81

In terms of our annexed report of even date

For Vinod Kumar & Associates
Chartered Accountants
FRN No. 002304N

(MUKESH DADHICH)
Partner
Membership No. 511741

Date : 29.07.2020
Place : New Delhi

For and on behalf of the Board

R. C. Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Kapil Sharma
Company Secretary
PAN : FTKPS4212N

R.A. Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE ACCOUNTING YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Particulars		For the period ended 31.03.2020		For the period ended 31.03.2019	
A.	Cash flow from Operating Activities :				
	Net Profit before tax as per statement of Profit and Loss		**386.63**		407.91
	Adjustment for				
	(Profit)/Loss on sale / Discard of Assets-Net	-		1.16	
	Depreciation / Amortisation Expense	**55.83**		63.58	
	Finance Cost	**9.76**	**65.59**	50.18	114.92
	Operating profit before working capital changes		**452.22**		522.83
	(Increase)/Decrease in Sundry Debtors	**308.82**		(308.03)	
	(Increase)/Decrease in Inventories	**284.82**		170.23	
	(Increase)/Decrease in other Current Assets	**18.78**		(8.75)	
	Increase/(Decrease) in Current Liabilities	**(115.86)**		32.43	
	Effect of Other Comprehensive Income	**(16.20)**		(48.95)	
	Increase/(Decrease) in Short & Long term provisions	**11.52**	**491.88**	57.37	(105.70)
	Cash generated from operations		**944.10**		417.13
	Interest paid	**(9.76)**		(50.16)	
	Tax Paid	**(102.76)**	**(112.52)**	(112.63)	(162.79)
	Net cash from operating activities		**831.58**		254.34
B.	Cash flow from investing activities				
	Additions in tangible and intangible assets (Including capital work in progress and advances on capital account)	**(33.83)**		(1.35)	
	Proceeds from disposable of tangible and intangible Assets	-		32.67	
	Proceeds from sales of Investment	**(127.30)**		-	
	Net cash from Investing Activities		**(161.13)**		31.32
C.	Cash flow from Financing Activities				
	Proceeds from new borrowings	-		-	
	Dividend Paid (Including Dividend Distribution Tax)	**(44.34)**		(88.19)	
	Repayment of interest on car Loan	-		(0.01)	
	Proceeds from Preferential issue of shares	-		-	
	Repayment of borrowing	**(378.42)**		(195.68)	
	Net cash from Financing Activities		**(422.76)**		(283.88)
	Net cash flows during the year (A+B+C)		**247.69**		1.78
	Cash and cash equivalents (Opening balance)		**8.87**		7.09
	Cash and cash equivalents (Closing balance)		**256.56**		8.87

Notes to cash flow statement:

1. Figures in brackets indicate cash out flows.
2. Interest paid relates to the charge of the year and is considered part of operating activities.
3. Bank borrowings have been grouped as part of financing activities.
4. Figures have been rounded off to the nearest of Rupee Lacs.

In terms of our annexed report of even date

For Vinod Kumar & Associates
Chartered Accountants
FRN No. 002304N

(MUKESH DADHICH)
Partner
Membership No. 511741

Date : 29.07.2020
Place : New Delhi

For and on behalf of the Board

R. C. Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Kapil Sharma
Company Secretary
PAN : FTKPS4212N

R.A. Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

Note No. -1

Significant Accounting Policies and Notes to Accounts

A - CORPORATE INFORMATION

Metal Coatings (India) Limited (the 'Company') was incorporated in India as a limited company under the Companies Act, 1956 on 12 December, 1994. The company is listed in Bombay Stock Exchange. The Company commenced its operations on 9 February, 1995 and is engaged in the manufacture and sale of Cold Rolled Steel Strips, H. R. Pickled & Oiled coils/strips.

B - SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets & liabilities and defined benefit plans which have been measured at fair value amount. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which has been taken as 12 months. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at cost, net of trade discount, rebates and recoverable taxes less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition 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. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Gains or losses arising from de-recognition of fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company has elected to continue with the carrying value of all of its property, plant and equipment at the transition date and use that carrying value as the deemed cost of the property, plant and equipment.

(d) Lease hold improvements

The company has taken a piece of land on lease at Meola Maharajpur. The company had constructed a building on the said land as a factory. Leasehold improvements are carried at historical cost. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition 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. Depreciation on leasehold improvements are provided using straight line method based on management estimate of useful life of the assets. Gains or losses arising from de-recognition of leasehold improvements are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(e) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the 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. Intangible assets are amortized using straight line method based on management estimate of useful life of the assets.

(f) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usages.

(g) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(h) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

(i) Impairment of property, plant and equipment and intangible assets

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

(j) Contingencies /Provisions

Provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

(k) Employee Benefits Expense

Short Term Employee Benefits obligation

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include compensated absences and performance incentives

Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the eligible employees in accordance with the payment of Gratuity act, 1972. The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(l) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

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

-**Deferred tax :** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(m) Revenue recognition

Revenue is recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as Company no longer have control over the inventory. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging upto 120 days.

(n) Foreign Exchange Transaction and translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. 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.

(o) Dividend Income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

(p) Financial Instruments

Financial Assets

-Measurement - At initial recognition, the Company measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed off in the statement of profit or loss. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debts investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in profit or loss when the assets is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

-Investment - The Company account for its investments in subsidiaries, associates and joint venture at cost and all other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in Other Comprehensive Income.

-Impairment of financial assets - The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

-Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

-Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short

Derecognition of financial instruments -The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(q) Earning per Share

Basic earning per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. The Company did not have any potentially dilutive securities in any of the years presented.

(r) Costs and expenses are recognised when incurred and have been classified according to their nature.

(s) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

(t) Leases

The Company has adopted IND AS-116 effective from 01.04.2019.

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

2. PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Total as on 01.04.2019	Additions	Sold / Discarded	Total as on 31.03.2020	Total as on 01.04.2019	For the period ended 31.03.2020	Dep. on discarded assets	Total as on 31.03.2020	As on 31.03.2020	As on 31.03.2019
Tangible Assets										
Own Assets										
Land	85.17	-	-	**85.17**	-	-	-	-	**85.17**	85.17
Buildings	388.69	-	-	**388.69**	167.13	**10.75**	-	**177.88**	**210.81**	221.56
Plant & Machinery	1010.06	3.00	-	**1013.06**	816.29	**28.88**	-	**845.17**	**167.89**	193.77
Motor Vehicles	156.20	27.96	-	**184.16**	127.09	**14.28**	-	**141.37**	**42.79**	29.11
Furniture, Fixtures	2.34	-	-	**2.34**	2.15	**0.14**	-	**2.29**	**0.05**	0.19
Office Equipment	8.22	2.37	-	**10.59**	6.28	**0.54**	-	**6.82**	**3.77**	1.94
Computers	5.78	0.67	-	**6.45**	3.94	**0.81**	-	**4.75**	**1.70**	1.84
Sub Total	**1656.46**	**34.00**	**-**	**1690.46**	**1122.88**	**55.40**	**-**	**1178.28**	**512.18**	**533.58**
Leased Assets										
Leasehold Improvements	14.03	-	-	**14.03**	8.65	**0.43**	-	**9.08**	**4.95**	5.38
Total	**1670.49**	**34.00**	**-**	**1704.49**	**1131.53**	**55.83**	**-**	**1187.36**	**517.13**	**538.96**
Previous year	1730.55	1.34	61.40	**1670.49**	1095.52	**63.58**	27.57	**1131.53**	**538.96**	635.03

Carrying amount of tangible assets are mortgaged as security for borrowings.

(₹ in Lakhs)

	Particulars	As at 31.03.2020	As at 31.03.2019
3	**OTHER NON-CURRENT ASSETS**		
	(Unsecured and considered good)		
	Security Deposit	**10.49**	10.66
	Total	**10.49**	**10.66**
4	**INVENTORIES**		
	Raw Materials	**182.55**	211.02
	Work in Process	**76.09**	208.95
	Finished Goods	**12.57**	169.70
	Stores & Spares	**1.74**	1.83
	Scrap Material	**36.90**	3.17
	Total	**309.85**	**594.67**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realisable value. Carrying amount of inventories are hypothecated as security for borrowings

5	**INVESTMENTS**		
	Investments measured at Fair Value through Profit & Loss (FVTPL)		
	In Mutual Fund (quoted)	**127.30**	-
	Aditya Birla Sun Life Liquid Fund		
	40,063.277 Units purchased @ ₹314.3065		
6	**TRADE RECEIVABLES**		
	Trade Receivables considered good - Unsecured	**2422.34**	**2731.16**

Includes dues from Related Parties ₹783.90 Lacs (Previous year ₹750.82 Lacs). Carrying amount of Trade Receivables have been hypothecated to bank for the working capital facilities availed.

7	**CASH AND CASH EQUIVALENTS**		
	- Cash in hand	**4.76**	5.80
	- Balances with Bank	**1.37**	3.07
	- Fixed deposits with Bank	**250.43**	-
	Total	**256.56**	**8.87**
8	**OTHER BANK BALANCES**		
	- Earmarked balances with Bank	**31.10**	52.90
	- Fixed Deposits pledged with Bank	**3.63**	3.63
	Total	**34.73**	**56.53**
9	**LOANS RECEIVABLES**		
	Advance to Employees		
	Loan Receivable considered good - Unsecured	**3.28**	**4.46**

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
10 OTHER CURRENT ASSETS		
Balance with Government Authorities	**4.29**	1.86
Prepaid Expenses	**3.63**	1.34
Advance to Suppliers	**18.05**	16.84
Others	**1.10**	2.84
Total	**27.07**	**22.88**

11 EQUITY SHARE CAPITAL		
Authorised Capital		
80,00,000 (Previous Year 80,00,000) Equity Shares of ₹10/- each.	**800.00**	800.00
Issued , Subscribed & Paid up Capital		
73,26,800 (Previous Year 73,26,800) Equity Shares of ₹10/- each.	**732.68**	732.68

The details of Shareholders holding more than 5% shares :

	As at 31.03.2020		As at 31.03.2019	
	No. of Shares	**% held**	**No. of Shares**	**% held**
Khandelwal Galva Strips Pvt. Ltd.	**17,45,499**	**23.82**	17,45,499	23.82
Pramod Khandelwal	**12,13,390**	**16.56**	12,13,390	16.56
Ramesh Chander Khandelwal	**10,43,858**	**14.25**	10,43,858	14.25
Lehartechnologies.Com Pvt. Limited	**5,01,752**	**6.85**	5,01,752	6.85
Bondwell Financial Services (P) Ltd.	**4,41,100**	**6.02**	4,41,100	6.02
Total	**49,45,599**	**67.50**	**49,45,599**	**67.50**

The reconciliation of the number of shares outstanding is set out below

Equity Shares at the beginning of the year	**73,26,800**	73,26,800
Add : Shares issued	-	-
Less : Shares bought back	-	-
Equity Shares at the end of the year	**73,26,800**	73,26,800

Rights, preference and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
12 OTHER EQUITY		
Capital Reserve		
As per last Balance Sheet	**6.14**	**6.14**
Security Premium		
As per last Balance Sheet	**135.59**	**135.59**
General Reserve		
As per last Balance Sheet	**26.16**	**26.16**
Retained Earnings		
Balance at the beginning of the year	**1769.91**	1586.10
Add: Profit for the year	**285.47**	307.33
Add : Other Comprehensive Income	**(12.12)**	(35.33)
Less : Appropriations		
Less : Payment of Dividend	**36.64**	73.27
Less : Dividend distribution tax	**7.70**	14.92
Total	**1998.92**	**1769.91**
Grand Total	**2166.81**	**1937.80**

Nature and purpose of reserves :

Capital Reserve - Capital Reserve was created consequent to forfeiture of shares

Securities Premium - Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

General Reserve : The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, item included in the general reserve will not be reclassified subsequently to statement of profit and loss.

13 PROVISIONS - NON CURRENT		
Provision for employee benefits	**178.82**	166.71
Total	**178.82**	**166.71**

14 DEFERRED TAX LIABILITIES / (ASSETS) - NET		
At the start of the year	**(8.44)**	17.23
Charge / (Credit) to statement of Profit & Loss	**(1.60)**	(12.05)
Charge / (Credit) to Other Comprehensive Income	**(4.08)**	(13.62)
At the end of the year	**(14.12)**	(8.44)

Component of deferred tax liabilities / (Assets)	As at 31.03.2019	Charge/(Credit) to Total Comprehensive Income	As at 31.03.2020
Deferred tax liabilities / (Assets) in relation to			
Property, Plant and Equipment	73.68	(10.60)	**63.08**
Provisions	(82.11)	4.92	**(77.19)**
	(8.44)	(5.68)	**(14.11)**

(₹ in Lakhs)

	Particulars	As at 31.03.2020	As at 31.03.2019
15	**BORROWINGS - CURRENT**		
	Secured - At amortised cost	**387.89**	**766.31**
	Working Capital Limit from Bank		
	Secured against hypothecation of Trade Receivables, Inventories and by way of mortgage of Land, Buildings and Plant & Machinery. This is also secured by personal guarantee of Whole Time Director and Managing Director.		
16	**TRADE PAYABLES**		
	Dues of Micro and Small enterprises (Refer Note No. 29)	**11.26**	88.32
	Dues of creditors other than Micro and Small enterprises	**9.75**	1.03
	Total	**21.01**	**89.35**
17	**OTHER FINANCIAL LIABILITIES**		
	Unclaimed Dividend*	**31.11**	52.90
	Employee Benefits Payable	**60.04**	38.07
	Other Payables	**24.66**	26.01
	Total	**115.81**	**116.98**
	* : Investor Education and Protection Fund will be credited as and when due		
18	**OTHER CURRENT LIABILITIES**		
	Payable in respect of statutory dues	**21.73**	42.71
	Other Payable	**1.64**	1.64
	Total	**23.37**	**44.35**
19	**PROVISIONS - CURRENT**		
	Provision for Employee Benefits	**127.85**	128.44
	Total	**127.85**	**128.44**

	Particulars	For the year ended 31.03.20	For the year ended 31.03.19
20	**REVENUE FROM OPERATIONS**		
	Sale of Products	**11961.07**	15215.52
	Other operating revenues	**55.91**	190.95
	Total	**12016.98**	**15406.47**
21	**OTHER INCOME**		
	Rent	**24.00**	24.00
	Interest Income	**6.05**	1.51
	Short Term Capital Gain	**7.03**	-
	Other non-operating income	**41.37**	60.39
	Income Recognised due to valuation of Investment at Fair Value as on 31.03.2020 (Aditya Birla Sun Life Liquid Fund 40,063.277 units purchased @ ₹314.3065.)	**1.38**	-
	Total	**79.83**	**85.90**

(₹ in Lakhs)

	Particulars	For the year ended 31.03.20	For the year ended 31.03.19
22	**COST OF MATERIALS CONSUMED**		
	H. R. Coils	**9,695.61**	13,229.66
23	**CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**		
	Inventories (Closing)		
	Work in Progress	**76.09**	208.95
	Finished Goods	**12.57**	169.70
	Scrap Material	**36.90**	3.17
	Total	**125.56**	**381.82**
	Inventories (Opening)		
	Work in Progress	**208.95**	255.02
	Finished Goods	**169.70**	65.06
	Scrap Material	**3.17**	12.42
	Total	**381.82**	**332.50**
	(Increase) / Decrease in Inventory	**256.26**	**(49.32)**
24	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and Wages	**578.80**	529.14
	Contribution to Provident and other funds	**38.10**	45.94
	Staff welfare expenses	**5.10**	5.07
	TOTAL	**622.00**	**580.15**

24.1	**Reconciliation of opening and closing balance of defined benefit obligation**	**For the year ended 31.03.2020**		**For the year ended 31.03.2019**	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Obligation at beginning of year	**268.04**	**27.11**	209.40	28.38
	Current service cost	**14.24**	**1.65**	13.32	1.92
	Interest cost	**16.99**	**1.72**	15.71	2.13
	Actuarial (gain) / loss	**7.21**	**8.99**	32.75	16.20
	Benefits paid	**(11.28)**	**(28.00)**	(3.14)	(21.52)
	Obligation at year end	**295.20**	**11.47**	268.04	27.11
24.2	**Experience recognised during the year**				
	In Income Statement				
	Current Service Cost	**14.24**	**1.65**	13.32	1.92
	Interest Cost	**16.99**	**1.72**	15.71	2.13
	Return on Plan Assets	-	-	-	-
	Net Cost	**31.23**	**3.37**	29.03	4.05
	In Other Comprehensive Income				
	Actuarial (Gain) / Loss	**7.21**	**8.99**	32.75	16.20
	Return on Plan Assets	-	-	-	-
	Net (Income) / Expense for the period recognised in OCI	**7.21**	**8.99**	32.75	16.20

(₹ in Lakhs)

Particulars	For the year ended 31.03.20		For the year ended 31.03.19	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment

24.3 The defined benefit obligations shall mature after year ended March 31, 2020 as follows:

01 Apr 2020 to 31 Mar 2021	**125.53**
01 Apr 2021 to 31 Mar 2022	**12.26**
01 Apr 2022 to 31 Mar 2023	**12.09**
01 Apr 2023 to 31 Mar 2024	**14.17**
01 Apr 2024 to 31 Mar 2025	**79.10**
01 Apr 2025 Onwards	**52.05**

24.4 Actuarial assumptions

Discount rate (per annum)	**6.34%**	**6.34%**	7.50%	7.50%
Salary growth rate (per annum)	**7.50%**	**7.50%**	7.50%	7.50%
Withdrawal rate (per annum)	**9.50%**	**9.50%**	9.50%	9.50%
Mortality	**IALM-2012-14**	**IALM-2012-14**	IALM-2006-08 Ultimate	IALM-2006-08 Ultimate

24.5 Sensitivity Analysis	**Gratuity**	**Leave Encashment**
Period	**As at 31-03-2020**	**As at 31-03-2020**
Defined Benefit Obligation (Base)	2,95,20,162 @ Salary Increase Rate : 7.5%, and discount rate:6.34%	11,47,255
Liability with x% increase in Discount Rate	2,86,09,115; x=1.00% [Change (3)%]	10,80,410; x=1.00% [Change (6)%]
Liability with x% decrease in Discount Rate	3,05,10,509; x=1.00% [Change 3%]	12,22,458; x=1.00% [Change 7%]
Liability with x% increase in Salary Growth Rate	3,04,89,303; x=1.00% [Change 3%]	12,20,854; x=1.00% [Change 6%]
Liability with x% decrease in Salary Growth Rate	2,86,10,924; x=1.00% [Change (3)%]	10,80,511; x=1.00% [Change (6)%]
Liability with x% increase in Withdrawal Rate	2,94,76,589; x=1.00% [Change 0%]	11,42,959; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	2,95,66,463; x=1.00% [Change 0%]	11,51,997; x=1.00% [Change 0%]

25 FINANCE COST

Interest	**6.76**	46.43
Other borrowing cost	**3.00**	3.75
Total	**9.76**	**50.18**

(₹ in Lakhs)

Particulars	For the year ended 31.03.20	For the year ended 31.03.19
26 OTHER EXPENSES		
Manufacturing expenses		
Stores & Spares	**178.19**	231.15
Power & Fuel	**446.03**	485.80
Job Work Charges	**120.89**	119.69
Repair to Machinery	**109.12**	135.36
Repair to Building	**34.68**	2.54
Total	**888.91**	**974.54**
Selling and Distribution Expenses		
Distribution Expenses	**99.72**	113.08
Administrative & Miscellaneous Expenses		
Bad Debts written off	-	26.95
Bank Charges	**0.63**	1.13
Insurance	**3.58**	2.75
Payment to Auditors	**7.46**	7.46
Professional Fee	**11.70**	9.19
Rates & Taxes	**5.40**	6.40
Rent	**0.36**	0.56
Travelling,Vehicle Running & Maintenance Expenses	**15.58**	21.96
Cash Discount	**0.68**	1.11
Loss on sale of fixed assets	-	1.16
Loss due to fire	-	2.54
Miscellaneous Expenses	**36.70**	41.38
Total	**82.09**	**122.59**
Grand Total	**1070.72**	**1210.21**
PAYMENT TO AUDITORS (EXCLUSIVE OF GST AND SERVICE TAX) AS :		
Audit Fees (Includes audit fees of quarterly review)	**5.55**	5.55
Tax Audit Fees	**0.95**	0.95
Fees for Certification Work & others	**0.21**	0.21
GST Audit Fees	**0.75**	0.75
Total	**7.46**	**7.46**

27 TAXATION

Income tax recognised in Statement of Profit and Loss		
a) Current tax	**102.76**	112.63
b) Deferred tax	**(1.60)**	(12.05)
Total income tax expenses recognised in the current year	**101.16**	**100.58**

Provision for current tax for the year includes tax adjustment related to earlier years amounting to ₹4.80 lacs (previous year ₹ -9.59 lacs)

(₹ in Lakhs)

Particulars	For the year ended 31.03.20	For the year ended 31.03.19
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	**370.43**	358.96
Applicable Tax Rate	**25.17%**	27.82%
Computed Tax Expense	**93.24**	99.86
Tax effect of :		
Exempted income		
Expenses disallowed	**4.72**	22.36
Adjustment of Tax on other Comprehensive Income		
Total	**97.96**	122.22
Tax adjustment related to earlier years	**4.80**	(9.59)
Current Tax Provision - A	**102.76**	**112.63**
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	**(10.60)**	(22.17)
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	**4.92**	(3.49)
Charged to other comprehensive income	**4.08**	13.62
Deferred tax Provision (B)	**(1.60)**	(12.04)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**101.16**	100.59
Effective Tax Rate %	**27.31**	28.02

Pursuant to the introduction of section 115BAA of the Income Tax Act 1961 vide Taxation Laws (Amendment) Ordinance 2019 the Company has an option to pay corporate tax @ 22% plus applicable surcharge and cess (lower rate) as against the earlier rate @ 25% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under Section 115BAA the Company has decided to avail the lower rate for the FY 2019-20. Accordingly, the Company has recognized Provision for Income tax for the year ended 31st March, 2020 and re-measured its net Deferred Tax liabilities on the basis of the rate prescribed in the said section. The impact of such change in tax rate had reduced the current tax from ₹112.91 Lakhs to ₹102.76 Lakhs and deferred tax from ₹2.49 Lakhs to ₹1.60 Lakhs.

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly includes disallowed expenses, tax treatment of certain expenses claimed by the Company as deductions, and computation of, or eligibility of, certain tax incentives or allowances. The Company has contingent liability in respect of demands from direct tax authorities in India, which are being contested by the Company on appropriate level. Refer Point No.-34. The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

28 EARNING PER SHARE (EPS)

Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹in lacs)	**285.47**	307.33
No. of Shares used as denominator for calculating EPS	**73,26,800**	73,26,800
Basic and Diluted Earning per share (₹)	**3.90**	4.19
Face Value per equity share (₹)	**10.00**	10.00

29 There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

30 Fair value measurement hierarchy

	31.03.2020 Carrying Amount	31.03.2019 Carrying Amount
Financial Assets		
At amortised Cost		
Trade Receivables	**2,422.34**	2,731.16
Cash and Bank Balances	**291.29**	65.40
Loans Receivables	**3.28**	4.46
At fair value		
Investment in Mutual fund	**127.30**	-
Financial Liabilities		
- Borrowings	**387.89**	766.31
- Trade payables	**21.01**	89.35
- Other financial liabilities	**115.81**	116.98

Financial risk management

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

i. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

a. Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.

b. Financial instruments and cash deposits – Company periodically reviews the credit risk arising from balances/ deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.

ii. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Current Financial Liabilities	31.03.2020		31.03.2019	
	Carrying Amount	**Less than 1 year**	Carrying Amount	Less than 1 year
Borrowings	**387.89**	**387.89**	766.31	766.31
Trade Payables	**21.01**	**21.01**	89.35	89.35
Other Financial Liabilities	**115.81**	**115.81**	116.98	116.98

iii. Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

a) Currency risk - The company's operates its business only in Indian territory and as such there is no foreign exchange risk to the Company

b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

c) Commodity risk - The Company is exposed to the fluctuations in commodity prices mainly for H. R. Coils. Mismatch in demand and supply, adverse market conditions, market expectations etc., can lead to price fluctuations. The Company manages these price fluctuations by entering into the MOUs with the major supplier.

Capital Management

The Company's objective for capital management is to maximize shareholder's wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds. The Company's adjusted net debt to equity position was as follows:

	31.03.2020	**31.03.2019**
Total Borrowings	**387.89**	766.31
Less : Cash and Cash Equivalents including Deposits	**260.18**	12.50
Adjusted net (cash)/debt	**127.71**	753.81
Total Equity	**2,899.49**	**2,670.48**

31 The sitting fees paid to non-executive directors is ₹0.60 lacs and ₹0.52 lacs as at March 31, 2020 and 2019, respectively.

32 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 29th July, 2020.

33 Related Party Disclosure

The Company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exist that needs to be disclosed.

(₹ In Lakhs)

Name of related party with Description of relationship	Nature of Transaction	Value of transaction for the period ended 31.03.2020	Outstanding as on 31.03.2020	Payable - P Receivable - R	Written off During Year ended 31.03.2020
Mr. Vinay Khandelwal Brother of Mr. Pramod Khandelwal, Managing Director of the Company	Rent paid / Payable	**0.36** (0.36)	-- (--)	-- (--)	**Nil** (Nil)
M/s Khandelwal Busar Industries Pvt. Ltd. (Formerly known as Kochar Agro Industries Pvt. Ltd.)	Sales	**2471.48** (2324.14)	**781.90** (750.82)	(R) (R)	**Nil** (Nil)
Enterprise in which Mr. R. C. Khandelwal, Whole Time Director, Mr. Pramod Khandelwal, Managing Director of the Company have substantial interest.	Purchases	**367.27** (928.58)	-- (88.32)	(--) (P)	**Nil** (Nil)
	Job Work Income	-- (27.30)	-- --	-- (--)	**Nil** (Nil)
	Job Work Expenses	**0.49** --	-- --	-- --	**Nil** (Nil)
	Rent Received / Receivable	**24.00** (24.00)	**2.00** (--)	(R) (--)	**Nil** (Nil)
M/s SWD Industries Firm in which Mr. R.C. Khandelwal, Whole Time Director of the Company is partner	Sales	-- (0.92)	-- (1.09)	-- (R)	**Nil** (Nil)
Mr. R. C. Khandelwal Whole Time Director of the Company	Remuneration and Leave Encashment	**156.46** (134.61)	**16.60** (5.94)	P (P)	**Nil** (Nil)
Mr. Pramod Khandelwal Managing Director of the Company	Remuneration and Leave Encashment	**156.46** (134.61)	**16.60** (5.94)	P (P)	**Nil** (Nil)
Mr. S. K. Gupta Independent Director of the Company	Sitting Fee	**0.36** (0.30)	-- (0.27)	-- (P)	**Nil** (Nil)
Ms. Neha Gupta Independent Director of the Company	Sitting Fee	**0.12** (0.18)	-- (0.16)	-- (P)	**Nil** (Nil)
Mr. Santosh Khandelwal Additional Independent Director of the Company	Sitting Fee	**0.12** (0.04)	-- (0.03)	-- (P)	**Nil** (Nil)

Previous year figures has been shown in bracket

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for encashable leave and gratuity, as separate actuarial valuations are not available.

34 CONTINGENT LIABILITIES AND COMMITMENTS :

34.1 Income Tax demand outstanding

Nature of statute	Nature of The dues	Amount (In lacs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.43	AY 2012-13	AO
Income Tax Act, 1961	Income Tax	0.48	AY 2013-14	AO
Income Tax Act, 1961	Income Tax	0.28	AY-2016-17	AO

* : Excluding interest under Income Tax Act

34.2 The HSIIDC has increased the price of land by ₹20.76 lacs and demanded the enhanced price. This matter is pending in the District and Sessions court, Faridabad. The Company has however, paid ₹5.25 lacs. Also, there might be consequent liability in the nature of interest.

34.3 The Company has no capital commitments during the current and previous year.

35 The national lockdown in March 2020 due to outbreak of Covid-19 Pandemic has impacted the economic activities resulting in serious disruption of business operations. The Company has taken and continues to take necessary steps from time to time in compliance of the statutory guidelines/advisories of the Central and State Governments. Based on the current estimation, the Company expects no substantial adverse impact in the carrying amount of assets as well as liabilities accrued. Since the pandemic continues to prevail across the country as well as globally as on date, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

36 The Company is predominantly engaged in the single business segment of Metal sector.

37 The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

In terms of our annexed report of even date

For Vinod Kumar & Associates
Chartered Accountants
FRN No. 002304N

For and on behalf of the Board

Sd/-
(MUKESH DADHICH)
Partner
Membership No. 511741

R. C. Khandelwal
Chairman & Whole -time Director
DIN : 00124085

Pramod Khandelwal
Managing Director
DIN : 00124082

Date : 29.07.2020
Place : New Delhi

Kapil Sharma
Company Secretary
PAN : FTKPS4212N

R.A. Sharma
CFO
PAN : AMTPS3388J

METAL COATINGS (INDIA) LIMITED

Registered Office:
912, Hemkunt Chambers 89, Nehru Place, New Delhi 110019
CIN: L74899DL1994PLC063387
Website: www.mcil.net
e-mail:info@mcilindia.net
Phone: 011-41808125

Design by rakmopress06@gmail.com