KANISHK STEEL INDUSTRIES LTD

Old No. 4, New No. 7, Thiru-Vi-Ka 3rd Street, Royapettah High Road,
Mylapore, Chennai - 4. Ph : (044) 4291 9700 Fax : (044) 4291 9719
CIN : L27109TN1995PLC067863
E-mail : sales@kanishksteels.in

ISO 9001

Date: 09-12-2020

BSE Limited,

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai- 400001.

Dear Sir,

Sub: **Submission of Annual Report 2019-20**

We are submitting the full Annual Report 2019-20 for your records.

Thanking You,

Yours faithfully,

For **KANISHK STEEL INDUSTRIES LIMITED,**

KANISHK STEEL INDUSTRIES LTD. CHENNAI-4

VISHAL KEYAL,

Chairman & Managing Director.

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the 30th Annual Report together with the financial statements for the year ended 31st March 2020.

Financial Summary:

The financial highlights for the year under review are as follows:

Amount in Rs.

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Sales	**2,55,82,18,008**	3,30,28,68,811
Profit after Interest & Depreciation	**1,68,05,462**	7,20,90,678
Provision for Tax	**(34,62,713)**	2,93,59,908
Profit after Tax	**2,02,68,175**	4,27,30,770
Add: Taxation Adjustments of Previous Years	**-**	-
Add: Balance of Profit brought from previous year	**-**	-
Profit available for Appropriation	**2,02,68,175**	4,27,30,770
APPROPRIATIONS	**-**	-
Equity Dividend Proposed (Final)	**-**	-
Dividend Distribution Tax (Final)	**-**	-
Transfer to General Reserve	**-**	-
Balance Carried Forward	**-**	-

COMPANY'S PERFORMANCE:

Your Company is engaged in manufacture and supply of Iron & Steel products. The company's branded steel products which are most vibrant, relevant, and preferred by most customers for quality at competitive prices and effective management helped the company to perform well even at the challenging market conditions.

During the year, the turnover was Rs.2,55,82,18,008/- as against Rs. 3,30,28,68,811/- for the previous year. The profit after tax of was Rs. 2,02,68,175/- as against Rs. 4,27,30,770/- for the previous year.

DIVIDEND:

The Board of Directors has not recommended any dividend for the financial year. (Previous year: NIL).



CONSOLIDATED FINANCIAL RESULTS:

The Company has no subsidiary, associate, and joint venture companies and therefore, preparation and presentation of Consolidated Financial Statements does not arise for the year ended 31st March 2020.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

The Company have no subsidiaries, joint ventures, or associate companies. During the year no companies have become or ceased to be the subsidiaries, joint ventures or associates of the Company.

RESERVES:

Your Company has not transferred the profit to the General Reserve for the financial year ended 31st March 2020.

MANAGEMENT DISCUSSION & ANALYSIS:

A detailed analysis of performance of the Industry and the Company is provided in the Management Discussion and Analysis Report as **Annexure-I,** which forms an integral part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134(5) of the Companies Act, 2013, your Board of Directors confirms that:

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

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

(c) the directors had 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 had prepared the annual accounts on a going concern basis; and

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

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

Meetings of the Board:

Five Board Meetings were held during the financial year and the details of which are available in Report on Corporate Governance as **Annexure-II. B,** which forms an integral part of this Report.

DIRECTORS AND KMP:

At the Board meeting held on 30.04.2019, Mr. Pravin Kumar Aggarwal was reappointed as an Independent director for further term i.e., from 01.04.2019 to 30.09.2023.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors have given the declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with the Rules made thereunder and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

CORPORATE GOVERNANCE:

Pursuant to the provisions of Regulation 34 read with point C & E of Schedule V of SEBI (LODR) Regulations, 2015, a separate Report on Corporate Governance for the financial year ended 31st March 2020 along with the Auditor's Certificate on Compliance is enclosed as **Annexure-II.** A and is forming part of this Report.

AUDIT COMMITTEE:

The Board of Directors has an audit committee and the composition, powers, role and terms of reference of the Audit Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the Rules made thereunder and Regulation 18and 21 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015.

The details of Audit Committee along with the details of the Meetings held during the financial year are given in the Corporate Governance Report that forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Sub rules (1)to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, a statement is enclosed in **Annexure-III.**

AUDITORS AND AUDITORS' REPORT:

M/s. Puja Rathi & Associates, Chartered Accountants, was appointed as auditors at the 27th Annual General Meeting held on 30.09.2017 for a period of five years and they will continue to hold office for the remaining period.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditors in their report and thus the explanations or comments by the Board does not arise.

COST AUDITOR:

The Board appointed M/s.Vivekanandan & Unni Associates, Cost and Management Accountants, as the Cost Auditors for the financial year 2020-21 to carry out the cost audit of Company's records and fixed a remuneration of Rs.70,000/- subject to members' approval.

LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Details of investments, loans and guarantees covered under the provisions of section 186 of the Companies Act, 2013 read with the rules made thereunder are provided in the Notes to the Financial Statements.



RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However, pursuant to the provisions of Regulation 23(2) of the SEBI (LODR) Regulations, 2015, prior approval of the Audit Committee was sought for entering into the Related Party Transactions.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

There were no materially significant transactions with Related Parties during the financial year 2020-21 which conflicted with the interest of the Company. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

The Corporate Governance Report contains relevant details on the nature of Related Party Transactions (RPTs) and the policy formulated by the Board on Material RPTs. Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1) of the Companies Act, 2013 is furnished in accordance with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC - 2 as **Annexure-IV**.

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

Details of energy conservation, technology absorption, foreign exchange earnings and outgo in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule8 of the Companies (Accounts) Rules, 2014 are given as Annexure-V forming part of this Report.

CODE OF CONDUCT:

The Board has formulated a Code of Conduct for Directors and Senior Management Personnel of the Company. A Declaration affirming on the compliance of Code of Conduct is provided in **Annexure-VI.**

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The company has formulated as Internal controls policy. In the opinion of Board, it is adequate to mitigate risks and provided reasonable assurance that operations/transactions are efficient and assets are safeguarded.

MATERIAL CHANGES AND COMMITMENTS:

There were material changes and commitments affecting the financial position of the Company between the end of financial year i.e., 31stMarch 2020 and the date of the Report i.e., 31st July 2020 due to the COVID-19 virus - a global pandemic which has affected the world economy

including India leading to significant decline and volatility in financial markets and decline in economic activities. Consequent to the outbreak of COVID-19, which has been declared as a pandemic by World Health Organizations (WHO), Government of India has declared series of lock downs effective from March 24, 2020 across the country to contain the spread of the virus affecting the businesses throughout the country. The Company's operation has been affected due to loss of more than a month's production due to the suspension of the operation, disruption in supply chain and non-availability of personnel during lock down. Though the production has started in the first week of May 2020, due to absenteeism, consequent to nationwide lockdown, the normal production is still affected. The Company has considered internal and external information while finalizing various estimates and taking assumptions in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors and no material impact on the financial results inter-alia including the carrying value of various current and non-current assets are expected to arise. The extent to which the COVID19 pandemic will impact the Company's business and profitability will depend on the future developments, which are highly uncertain.

ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is enclosed and marked as **Annexure-VII.**

REMUNERATION POLICY:

The Remuneration policy of the Company comprising appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act,2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s.M K Madhavan & Associates, Company Secretaries, Chennai to undertake the Secretarial Audit of the Company for the Financial Year 2019-20.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditors in their report and thus the explanations or comments by the Board does not arise.

The Secretarial Audit Report is given as **Annexure-VIII** forming part of this Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The company has established a vigil mechanism for directors and employees to report genuine concerns pursuant to section 177 of the Companies Act,2013 read with Rule 7 of the Companies(Meetings of Board and its Powers) Rules 2014 and SEBI (LODR) Regulations,2015.



DEPOSITS:

Your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules,2014 during the year.

SIGNIFICANT AND MATERIAL ORDERS IMPACTING THE COMPANY:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

BOARD EVALUATION:

The Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by Independent Directors.

Details of the same are given in the Report on Corporate Governance annexed hereto.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The company is not covered under section 135 of the Companies Act, 2013 and formulation ofCSR policy and constitution of a CSR committee did not arise.

ANTI-SEXUAL HARASSMENT POLICY:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the financial year 2019-20.

CEO/CFO CERTIFICATION:

Mr. Vishal Keyal, Chairman and Managing Director & CEO and Mr. Ashok Bohra, Chief Financial Officer have given their certification to the Board in terms of under the SEBI (LODR) Regulations, 2015.

ACKNOWLEDGMENT:

Your directors place on record a great appreciation of the fine efforts of all executives and employees of the Company which was instrumental to achieve profitability and stability of the Company for the financial year. Your directors also express their sincere thanks to various

departments of Central Government, Government of Tamilnadu, TANGEDCO, State Bank ofIndia, Corporation Bank, the customers, shareholders and all other stakeholders for continuing support and encouragement during the financial year and expect the same in future also.

For and on behalf of the Board of Directors

Date : 31st July 2020
Place : Chennai

Vishal Keyal
Chairman and Managing Director



Annexure-I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Steel occupies a prominent place in Indian manufacturing sectors. Indian Steel Industry has been riding high on the resurgent economy and rising demand for steel. World Steel Association has projected Indian steel demand to grow by 7.1%. Per capita finished steel consumption in2018 was 224.5 kg for world and for India was 70.9 kg in 2018.

Government has released the National Steel Policy 2017, which has laid down the broad road map for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement.(Source: Ministry of Steel.)

Kanishk Steel is a largest steel manufacturer in South India since 1989. The manufacturing unit is situate at Gummidipoondi in the state of Tamil Nadu and the unit comprises furnace unit and rolling mill producing various front-line rolled steel products. The brand name KANISHK STEELS remain deserved for its quality, price, and delivery in Indian Steel Market. The company has been consistent in focused improvements in quality of its products during the year and be moving ahead with the right market strategy. The opportunities and threats are briefly provided below:

The factors like fluctuating volatile raw materials prices, regional demand & supply imbalances, and INR Value against global currencies, high cost of power may hamper the steel industry's production level. Cheap import of steels products from neighbouring countries make the market highly competitive. This may improve in future.

Steel Demand of steel is expected to rise in future with economic and Industrial growth. Growing infrastructure like roads and highways, railways, aviation, shipping, energy, power or oil & gas will boost the demand for specialized steel and the Company's growth seems better in the future with economic and Industrial growth.

Annexure-II.A

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of KANISHK STEEL INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Kanishk Steel Industries Limited for the year ended on 31st March 2020, as stipulated in SEBI (Listing Obligations& Disclosure Requirements) Regulations 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of corporate governanceas stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations& Disclosure Requirements) Regulations 2015.

We further state that such compliance 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 Puja Rathi & Associates,
Chartered Accountants,
FRN 014457S

Puja Rathi, FCA
Proprietor
Membership No.064246

Place: Chennai
Date: 31-07-2020



Annexure-II.B

REPORT ON CORPORATE GOVERNANCE

(For the Financial Year 2019-20)

1. Company's philosophy on code of Governance:

Corporate Governance at Kanishk Steels is based on the principles of equity, fairness, transparency, spirit of law and honest communication. We always believe that the good Corporate Governance through accountability, integrity and professionalism is the way to enhance the value of Shareholders and all other stakeholders which include Suppliers, Customers, Creditors, Bankers, Society and Employees of the Company. We follow the guidelines mandated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopt the principles to suit the changing times and needs of the business, society, and the nation.

2. I. Board of Directors

A. Board Composition:

The Board has been constituted in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of the company has an optimum of executive and non-executive directors, including one women director as under:

Name of Director	Executive / Non-Executive Director	Promoter / Independent
Mr. Vishal Keyal	Chairman and Managing Director. Executive Director	Non-independent
Mr. Ashok Bohra	Whole-time Director; Executive Director	Non-independent
Dr. Pravin Kumar Aggarwal	Non-Executive Director	Independent Director
Mr. R.Ramesh	Non-Executive Director	Independent Director
Mrs. Sheril Theodore	Non-Executive Director	Independent Director

The Board has a regular executive chairman who is non-promoter. It has Independent directors more than half of the Board. No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013.

Independent Directors are not liable to retire by rotation. All directors other than independent directors retire by rotation and in general, seek re-appointment at the AGM.

Brief resume of Director seeking reappointment is given in the Notice of the AGM. All the Independent Directors have given the declarations pursuant to Section 149(7) of the Act affirming that they meet the criteria of independence as provided in sub section (6). No independent director

of the Company serves in more than 7 listed companies as Independent Director and holds office of whole-time director in any listed company. Letter of Appointments together with the terms thereto were issued to Independent directors and have been posted on the Company website.

As required by the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, none of the directors hold directorship in more than 20 public companies, nor membership of board committees (audit/remuneration/investors grievance committees) in excess of 10 and chairmanship of afore-mentioned committees in excess of 5.

Name of the Directors	Number of directorships, Committee Memberships and Committee Chairmanship held in other Companies #		
	Directorships	Membership	Chairmanships
Mr. Vishal Keyal	1	1	-
Mr. Ashok Bohora	-	-	-
Dr. Pravin Kumar Aggarwal	-	-	-
Mr.R. Ramesh	-	-	-
Mrs. Sheril Theodore	-	-	-

#only in public companies

During the year 2019-20, the Board met five times i.e., on held on 30.04.2019, 04.05.2019, 14.08.2019, 13.11.2019 and 11.02.2020 within a time gap of 120 days between two meetings. No Board meeting was conducted through video conferencing or other audio-visual means.

The Annual General Meeting (AGM) was held on 30.09.2019. The attendance records of all Directors are as under:

Name of the Directors	Name of the Directors		Last AGM
	Held	Attended	Attendance
Mr. Vishal Keyal	5	5	Yes
Mr. Ashok Bohora	5	5	Yes
Dr. Pravin Kumar Aggarwal	5	5	Yes
Mr.R. Ramesh	5	5	Yes
Mrs. Sheril Theodore	5	5	Yes

II. COMMITTEES OF THE BOARD

The Board has constituted various committees and the details of which are given below:

A. Audit Committee:



The Audit Committee has been constituted in conformity with the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, with not less than two-third of Independent directors.

Audit committee meetings were held on 14.05.2019, 14.08.2019, 13.11.2019 and 11.02.2020 during the financial year 2019-20 and attendance of members is provided hereunder:

Name of the Members	Independent Director / Non-Independent	Position	Meetings	
			Held	Attended
Mr. R Ramesh	Independent Director	Chairman	4	4
Dr. Pravin Kumar Aggarwal	Independent Director	Member	4	4
Mr. Vishal Keyal	Non-Independent Director	Member	4	4

B. Nomination cum Remuneration Committee:

The Company has a Nomination cum Remuneration Committee of the Board in conformity with the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. All member directors of the committee are independent directors. The committee meeting was held on 14.05.2019 and 11.02.2020 during the financial year 2019-20 and attendance of members is provided hereunder:

Name of the Members	Independent Director / Non-Independent	Position	Meetings	
			Held	Attended
Mr. R Ramesh	Independent Director	Chairman	2	2
Dr. Pravin Kumar Aggarwal	Independent Director	Member	2	2
Mrs. Sheril Theodore	Non-Independent Director	Member	2	2

Remuneration Policy:

The company has a remuneration policy in view of retaining suitable employees with remuneration commensurate with size of the company, nature the business and nature of duties and responsibilities of the employee. The Board of the company may fix remuneration to Directors and KMP on the recommendation of the Nomination and Remuneration committee.

During the year 2019-20, the remuneration paid to executive directors is as follows:

Director	Remuneration in Rs.	Perks in Rs.	Total in Rs.
Mr. Vishal Keyal	9,00,000	-	9,00,000
Mr. Ashok Bohra	18,00,000	-	18,00,000

The Company has not paid any remuneration to the non-Executive Directors except sitting fees as under:

Name of the Directors	Name of the Directors			
	Board Meeting Rs.	Audit Committee Rs.	Remuneration Committee Rs.	Total Sitting Fees Rs.
Dr. Pravin Kumar Aggarwal	15,000	4,000	2,000	21,000
Mr. R. Ramesh	15,000	4,000	2,000	21,000
Mrs. Sheril Theodore	15,000	-	2,000	17,000
Total	45,000	8,000	6,000	59,000

C. Stakeholders Relationship Committee

The Board has a Stakeholders Relationship Committee. The Committee comprises of three member directors one of whom is non-executive director as chairman. The committee meetings were held on 24.05.2019, 31.05.2019, 01.07.2019, 30.07.2019, 31.10.2019 and 11.02.2020 during the financial year 2019-20 and attendance of members is provided hereunder:

Director	Executive / Non Executive	Position	Committee Meetings	
			Held	Attended
Dr. Pravin Kumar Aggarwal	Non-Executive Director	Chairman	6	6
Mr. Vishal Keyal	Executive Director	Member	6	6
Mr. Ashok Bohra	Executive Director	Member	6	6

Name and designation of compliance officer:

Mr. Balaji Ravigopal, Company Secretary & compliance officer

No. of shareholders complaints received	Number of complaints not solved to the satisfaction of Shareholders	Number of complaints pending as on 31.03.2020
NIL	NIL	NIL



3. Details of Annual General Meetings:

I. The details of about last three Annual General Meetings are given below:

Year	Date	Time	Venue
2016-17	30.09.2017	3.00 P.M	B27(M), SIPCOT Industrial Complex, Gumidipoondi, Thiruvallur District, Tamil Nadu - 601 201
2017-18	29.09.2018	3.00 P.M	B27(M), SIPCOT Industrial Complex, Gumidipoondi, Thiruvallur District, Tamil Nadu - 601 201
2018-19	30.09.2019	3.00 P.M	B27(M), SIPCOT Industrial Complex, Gumidipoondi, Thiruvallur District, Tamil Nadu - 601 201

II. Details of Special resolutions passed

Year	Special Business
2016-17	• Appointment by change of designation of Mr. Kanishk Gupta from Director to Chairman and Managing Director • Remuneration to Cost Auditor
2017-18	• Ratification of appointment of Mr P.Ramesh as Independent Director • Approval of change in designation of Mr.Vishal Keyal from Whole-time Director to Chairman and Managing Director • Approval of appointment of Mr.Ashok Bohra as Whole-time Director • Approval of remuneration of cost auditor • Determination of fees for delivery of any document through a particular mode of delivery to a member
2018-19	• Appointment of Mrs. Sheril Theodore as Independent Director • Approval of remuneration to Cost Auditor

4. POSTAL BALLOT:

During the Year, no special resolution was passed through Postal Ballot.

5. MEANS OF COMMUNICATION

The Quarterly/Half-Yearly/Annual financial results of the Company are published in "Trinity Mirror"the English Daily and "Makkal Kural" - Tamil Newspaper. The Quarterly/Half-Yearly/Annualfinancial results and the shareholding pattern are properly reported with Stock Exchange andare available in the Website stock Exchange and the Company's website, www.kanishksteels.in.

Notice of General Meeting including Attendance slip, proxy form and polling paper are sent to all the shareholders by Registered Post or Speed post or Courier or through e-mail System. Annual Report is sent by Book post or email system or both at the desire of shareholders.

Further to the compliance of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, all the basic information about the Company is made available in the company's Website at all times at no cost for the benefit of all stakeholders concerned.

6. General shareholder information:

Dates of Book closure	:	23rd September 2019 to 30th September 2019 (both days inclusive).
Date, time and venue of Annual General Meeting	:	Date : 31st December 2020 Time : 3.00 pm. Mode : Video Conferencing / OAVM
Financial Calendar	:	Financial Reporting for the quarter ending 30thJune 2020-Latest by 15th September 2020 30thSept. 2020-Latest by 14th Nov. 2020 31stDec 2020-Latest by 14th of Feb 2021 31stMar 2020 - Latest by 30thMay 2021
Dividend Payment	:	N.A
Listing on Stock Exchanges	:	Bombay Stock Exchange Limited
Depository Participant	:	National Securities Depository Limited Central Depository Services Limited
Scrip Code	:	513456
ISIN Number	:	INE 791E01018
Listing on Stock Exchange (overseas)	:	Nil
Plant Location		
Rolling & Furnace Mills	:	B-27 (M) , B-27 (N) SIPCOT Industrial Complex Gummudipoondi, Thiruvallur District, Tamilnadu- 601201

Stock market price data

High/Low of monthly Market Price of the Company's Equity Shares traded on the Bombay Stock Exchange; Mumbai during the financial year 2019-20 is furnished below:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares held	No. of trades
Apr-19	8.77	12.54	8.4	11.25	8,21,722	101
May-19	11	11	9	9.45	16,25,427	42
Jun-19	9.05	9.1	7.55	7.98	9,900	28
Jul-19	7.98	8	7.55	8	3,549	13
Aug-19	7.65	9.75	7.65	9.75	2,841	12
Sep-19	10	10.5	8.6	9.5	5,018	27
Oct-19	9.1	9.1	9.1	9.1	200	4
Nov-19	9.1	9.1	9.1	9.1	1	1
Dec-19	9.1	9.6	8.6	9.13	3,911	9
Jan-20	8.95	9.5	7.8	7.9	18,972	42
Feb-20	7.9	10.97	7.9	10.36	13,041	44
Mar-20	10.35	10.35	9.84	10.33	61	7

Share transfer system

Share transfers are registered and returned to the transferees within the statutory time limit from the Date of receipt if the documents are in order in all respects. The share transfer committee has met six times during the year. No. of shares received for transfer/transmission upto 31.03.2020 is800 Shares and shares pending for transfer as on 31.03.2020 is nil.

Registrar and Transfer Agents is Cameo Corporate Services Limited

DISTRIBUTION OF HOLDINGS - NSDL & CDSL & PHYSICAL

Share or Debenture holding	Share / Debenture holding		Share / Debenture amount	
Rs.	Number	% of total	Number	% of total
10 - 5000	4628	89.7595	7244340	2.5475
5001 - 10000	238	4.6159	1940700	0.6824
10001 - 20000	121	2.3467	1805520	0.6349
20001 - 30000	40	0.7757	1032600	0.3631
30001 - 40000	17	0.3297	598270	0.2103
40001 - 50000	23	0.4460	1090360	0.3834
50001 - 100000	29	0.5624	2103980	0.7398
100001 - And Above	60	1.1636	268544970	94.4381
Total	**5156**	**100.0000**	**284360740**	**100.0000**

Share holding pattern as on 31st March 2020:

Category		No. of Shares Held	Percentage of Share holding
A	Shareholding of Promoter & Promoter Group		
1	Indian - Individuals / Hindu Undivided Family	10286126	36.17
	- Bodies Corporate	5791284	20.37
	Sub Total [A] [1]	**16077410**	**56.54**
2	Foreign		
	- Bodies Corporate	2000000	7.03
	- Any other Directors/Relative NRI	2000000	7.03
	Sub Total[A] [2]	**4000000**	**14.06**
	Total Share Holding of Promoter & Promoter Group {A= [A] [1] +[A] [2]	**20077410**	**70.61**
B	Public Shareholding.		
	Institutions	-	-
	Foreign Institutional Investor	-	-
	Sub Total[B] [1]	**-**	**-**
2	Non-Institutions	-	-
a.	Bodies Corporate	-	-
b.	Individuals		
	I. Individual shareholders holding nominal share capital upto Rs. 2 Lakh	1502549	5.28
	II. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1370348	4.82
c.	Any Other		
	Clearing Members	-	-
	HUF	431205	1.52
	NRI	117245	0.41
	Sub Total[B] [2]	**5485767**	**19.29**
	Total Public Shareholding [B] [1]+[B] [2]	**8358664**	**29.39**
	TOTAL(A+B)	**28436074**	**100.00**

Share holding pattern as on 31st March 2020:

Category		No. of Shares Held	Percentage of Share holding
C	Shares held by Custodians and against which Depository Receipts have been issued 1) Promoter and Promoter Group 2) Public		
	Total (A) + (B) + (C)	**28436074**	**100.00**

	No of Holders	No of Shares	%
NSDL	1545	14290775	50.26
CDSL	781	11578748	40.72
Physical	2830	2566551	9.03

Demat of shares:

As per the directives of Securities & Exchange Board of India, the equity shares of the companyare being traded in electronic form from 18.02.2002. The physical form of trading is also availableto the shareholders. Electronic Holding by Members comprises of 90.97% (as on 31.03.2020) ofthe paid-up share capital of the company held through National Securities Depository Limited andCentral Depository Services Limited. The company appointed Cameo Corporate Services Limitedas Registrar & Transfer Agent and entered into an agreement for availing depository services.

Request to Shareholders

The Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014requires the company to keep the Register of Members in Form No.MGT-1. As compared to the existing Register of Members under the old Act, the new Law calls for certain additional information to be recorded. In order that the company is facilitated to comply with same, shareholders are requested to send the following information for updating their records in our Register of Members:

Name of the member, Folio/ DP ID – Client ID, Email address, Permanent Account Number (PAN), CIN (in the case of company), Unique Identification Number, Father's/ Mother's/ Spouse's name, Occupation, Status, Nationality, In case of minor, name of guardian and date of birth of minor, Instructions, if any for sending Notice etc.,

For and on behalf of the Board of Directors,

Date : 31st July 2020
Place : Chennai

VISHAL KEYAL
Chairman & Managing Director.

Annexure-III

Disclosure Statement of particulars of remuneration as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Mr. Vishal Keyal: 5.86:1; Mr. Ashok Bohra: 11.73:1

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: No increase in remuneration in the financial year.

iii. The percentage increase in the median remuneration of employees in the financial year: No increase in median remuneration of employees in the financial year.

iv. The number of permanent employees on the rolls of company: 148 (which includes 2 directors and one CS)

v. The explanation on the relationship between average increase in remuneration and company performance: Not applicable as there is no increase in remuneration.

vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company: No increase in remuneration of KMP.

vii. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and incase of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year

	31.03.2020	31.03.2019
Market capitalisation (Rs.)	293,744,644	237,725,579
PE Ratio	14.55	5.69
% increase in market quote	23.56%	(19.23%)

viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

No change in the salaries of employees other than the managerial personnel and the managerial remuneration.

ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company: No increase in remuneration of KMP.

x. The key parameters for any variable component of remuneration availed by the directors: NIL

xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

No employee was in receipt of remuneration in excess of remuneration of any director.

xii. Affirmation that the remuneration is as per the remuneration policy of the company: Remuneration is as per the remuneration policy of the company.



Annexure-IV

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : Nil
   - (i) Name(s) of the related party and nature of relationship
   - (ii) Nature of contracts/arrangements/transactions
   - (iii) Duration of the contracts / arrangements/transactions
   - (iv) Salient terms of the contracts or arrangements or transactions including the value, if any
   - (v) Justification for entering into such contracts or arrangements or transactions
   - (vi) date(s) of approval by the Board
   - (vii) Amount paid as advances, if any:
   - (viii) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis
   - (a) Name(s) of the related party and nature of relationship
   - (b) Nature of contracts/arrangements/transactions
   - (c) Duration of the contracts / arrangements/transactions
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   - (e) date(s) of approval by the Board
   - (f) Amount paid as advances, if any

For and on behalf of the Board of Directors,

Date : 31st July 2020
Place : Chennai

VISHAL KEYAL
Chairman & Managing Director.

Annexure-V

INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES,2014.

A. CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy- NIL.

ii. The steps taken by the company for utilizing alternate sources of energy NIL

iii. The capital investment on energy conservation equipments- NIL

B. TECHNOLOGY ABSORPTION

i. the efforts made towards technology absorption;

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

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

(a) the details of technology imported	NIL
(b) the year of import	NIL
(c) whether the technology been fully absorbed	NIL
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL

iv. the expenditure incurred on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: (Rs. in Crore)

	FY 2019-20	FY 2018-19
Purchase of goods	37.91	49.10

For and on behalf of the Board of Directors,

Date : 31st July 2020
Place : Chennai

VISHAL KEYAL
Chairman & Managing Director.

Annexure-VI

CODE OF CONDUCT

As per Regulation 26(3) of SEBI (Listing Obligation & Disclosure Requirements) Regulations,2015 all members of the Board & Senior Management Personnel have affirmed compliance with the code of conduct for the year ended 31stMarch 2020.

For and on behalf of the Board of Directors,

Date : 31st July 2020
Place : Chennai

VISHAL KEYAL
Chairman & Managing Director.

Annexure-VII

Form No.MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN: **L27109TN1995PLC067863**

ii) Registration Date: **1st March 1989**

iii) Name of the Company : **KANISHK STEEL INDUSTRIES LIMITED**

iv) Category / Sub-Category of the Company: **Company Limited by Shares/ Non - Government Company**

v) Address of the registered office and contact details :
B-27 (M) SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DISTRICT, TAMILNADU - 601 201

vi) Whether listed company: Yes - Bombay Stock Exchange (BSE)

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:

Cameo Corporate Services Ltd,
No.1, Club House Road, Chennai - 60002,
Ph: 044 28460390,
email: cameo@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product / service	% total turnover of the company
1.	Manufacture of Iron & Steel	2410	98.49%
2.	Trading of Iron and Steel	4669	1.51%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	% of Applicable Section
	NIL				

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

(i) Category-wise Shareholding -

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**SHAREHOLDING OF PROMOTER AND PROMOTER GROUP**									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	7868083	0	7868083	27.6693	10286126	0	10286126	36.1728	8.5034
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	8211850	0	8211850	28.8782	5791284	0	5791284	20.3659	-8.5123
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	**16079933**	0	16079933	56.5476	16077410	0	16077410	56.5387	-0.0088
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	2000000	2000000	7.0333	0	2000000	2000000	7.0333	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	DIRECTORS/RELATIVE NRI	2000000	0	2000000	7.0333	2000000	0	2000000	7.0333	0.0000
		2000000	**0**	**2000000**	**7.0333**	**2000000**	**0**	**2000000**	**7.0333**	**0.0000**
	SUB - TOTAL (A)(2)	**2000000**	**2000000**	4000000	**14.0666**	**2000000**	**2000000**	4000000	**14.0666**	**0.0000**
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	**18079933**	**2000000**	**20079933**	**70.6142**	**18077410**	**2000000**	**20077410**	**70.6054**	**-0.0088**
B.	**PUBLIC SHAREHOLDING**									
1.	INSTITUTIONS									



Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	5057375	6400	5063775	17.8075	4930917	6400	4937317	17.3628	-0.4447
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	927385	470551	1397936	4.9160	923931	468651	1392582	4.8972	-0.0188
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	1330718	19700	1350418	4.7489	1460615	19700	1480315	5.2057	0.4568
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	845	0	845	0.0029	0	0	0	0.0000	-0.0029
	HINDU UNDIVIDED FAMILIES	424183	0	424183	1.4917	431205	0	431205	1.5164	0.0246
	NON RESIDENT INDIANS	47184	71800	118984	0.4184	45445	71800	117245	0.4123	-0.0061
		472212	**71800**	**544012**	**1.9131**	**476650**	**71800**	**548450**	**1.9287**	**0.0156**
	SUB - TOTAL (B)(2)	7787690	568451	8356141	29.3857	7792113	566551	8358664	29.3945	0.0088

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	7787690	568451	8356141	29.3857	7792113	566551	8358664	29.3945	**0.0088**
	TOTAL (A)+(B)	25867623	2568451	28436074	100.0000	25869523	2566551	28436074	100.0000	**0.0000**
C.	**SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED**									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	25867623	2568451	28436074	100.0000	25869523	2566551	28436074	100.0000	**0.0000**

(i) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			'% change in share holding 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	RAJESH KUMAR GUPTA	2409174	8.4722	0.0000	2409174	8.4722	3.3313	0.0000
	HAVING SAME PAN							
1	RAJESH KUMAR GUPTA	748467	2.6321	0.0000	748467	2.6321	0.0000	0.0000
2	TAMILNADU PROPERTY DEVELOPERS LTD	2400000	8.4399	0.0000	2400000	8.4399	4.9233	0.0000
3	SHAILJA GUPTA	2075297	7.2981	0.0000	2075297	7.2981	0.0000	0.0000
	HAVING SAME PAN							
3	SHAILJA GUPTA	192733	0.6777	0.0000	2610776	9.1812	0.0000	8.5034
	HAVING SAME PAN							
3	SHAILJA GUPTA	36272	0.1275	0.0000	36272	0.1275	0.0000	0.0000



Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			'% change in share holding 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	
4	TAMILNADU ENTERPRISES & INVESTMENT PVT LTD	2015497	7.0878	0.0000	2015497	7.0878	0.0000	0.0000
5	RADIANT SOLUTIONS PRIVATE LTD	2000000	7.0333	0.0000	2000000	7.0333	0.0000	0.0000
6	AMEENA BEGUM S .	2000000	7.0333	0.0000	2000000	7.0333	0.0000	0.0000
7	DHANVARSHA ENTERPRISES & INVESTMENTS PRIVATE LIMITED	1259807	4.4303	0.0000	0	0.0000	0.0000	-4.4303
8	GOODFAITH VINIMAY PRIVATE LIMITED	1001243	3.5210	0.0000	501243	1.7627	0.0000	-1.7583
9	RENU DEVI JALAN	800000	2.8133	0.0000	800000	2.8133	0.0000	0.0000
10	SRI HARI VALLABHAA ENTERPRISES & INVESTMENTS PVT LTD	660759	2.3236	0.0000	0	0.0000	0.0000	-2.3236
11	ABHISHEK SARAFF	589700	2.0737	0.0000	589700	2.0737	0.0000	0.0000
12	ASSAM MERCANTILE CO LTD	525144	1.8467	0.0000	525144	1.8467	0.0000	0.0000
13	KANISHK GUPTA	417612	1.4685	0.0000	417612	1.4685	0.4405	0.0000
14	INDIAN CORPORATE BUSINESS CENTRE LTD	349400	1.2287	0.0000	349400	1.2287	0.0000	0.0000
15	SATYA NARAIN GUPTA JT1 : LAXMI DEVI GUPTA JT2 : RAMESH KUMAR GUPTA	346600	1.2188	0.0000	346600	1.2188	0.0000	0.0000
16	ROOP CHAND BETALA JT1 : RATNA BETALA	100000	0.3516	0.0000	100000	0.3516	0.0000	0.0000
17	RAVI GUPTA MR	80800	0.2841	0.0000	80800	0.2841	0.0000	0.0000

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			'% change in share holding 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	
18	RAJESH KUMAR GUPTA	57050	0.2006	0.0000	57050	0.2006	0.0000	0.0000
19	NIVEDITA GUPTA	10000	0.0351	0.0000	10000	0.0351	0.0000	0.0000
20	NIVEDITA GUPTA	2194	0.0077	0.0000	2194	0.0077	0.0000	0.0000
21	ARVIND GUPTA	1892	0.0066	0.0000	0	0.0000	0.0000	-0.0066
	HAVING SAME PAN							
21	ARVIND GUPTA	0	0.0000	0.0000	1892	0.0066	0.0000	0.0066
22	SUBHASH CHANDRA SARAFF	292	0.0010	0.0000	292	0.0010	0.0000	0.0000

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
1	RAJESH KUMAR GUPTA				
	At the beginning of the year 30-Mar-2019	2409174	8.4722	2409174	8.4722
	At the end of the Year 31-Mar-2020	2409174	8.4722	2409174	8.4722
	HAVING SAME PAN				
1	RAJESH KUMAR GUPTA				
	At the beginning of the year 30-Mar-2019	748467	2.6321	748467	2.6321
	At the end of the Year 31-Mar-2020	748467	2.6321	748467	2.6321
2	TAMILNADU PROPERTY DEVELOPERS LTD				
	At the beginning of the year 30-Mar-2019	2400000	8.4399	2400000	8.4399
	At the end of the Year 31-Mar-2020	2400000	8.4399	2400000	8.4399
3	SHAILJA GUPTA				
	At the beginning of the year 30-Mar-2019	2075297	7.2981	2075297	7.2981



Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
	At the end of the Year 31-Mar-2020	2075297	7.2981	2075297	7.2981
	HAVING SAME PAN				
3	SHAILJA GUPTA				
	At the beginning of the year 30-Mar-2019	192733	0.6777	192733	0.6777
	Purchase 05-Apr-2019	798550	2.8082	991283	3.4860
	Purchase 24-May-2019	458087	1.6109	1449370	5.0969
	Purchase 31-May-2019	1161406	4.0842	2610776	9.1812
	At the end of the Year 31-Mar-2020	2610776	9.1812	2610776	9.1812
	HAVING SAME PAN				
3	SHAILJA GUPTA				
	At the beginning of the year 30-Mar-2019	36272	0.1275	36272	0.1275
	At the end of the Year 31-Mar-2020	36272	0.1275	36272	0.1275
4	TAMILNADU ENTERPRISES & INVESTMENT PVT LTD				
	At the beginning of the year 30-Mar-2019	2015497	7.0878	2015497	7.0878
	At the end of the Year 31-Mar-2020	2015497	7.0878	2015497	7.0878
5	RADIANT SOLUTIONS PRIVATE LTD				
	At the beginning of the year 30-Mar-2019	2000000	7.0333	2000000	7.0333
	At the end of the Year 31-Mar-2020	2000000	7.0333	2000000	7.0333
6	AMEENA BEGUM S.				
	At the beginning of the year 30-Mar-2019	2000000	7.0333	2000000	7.0333
	At the end of the Year 31-Mar-2020	2000000	7.0333	2000000	7.0333
7	DHANVARSHA ENTERPRISES &				
	INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year 30-Mar-2019	1259807	4.4303	1259807	4.4303
	Sale 05-Apr-2019	-800000	2.8133	459807	1.6169
	Sale 24-May-2019	-459807	1.6169	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
8	GOODFAITH VINIMAY PRIVATE LIMITED				
	At the beginning of the year 30-Mar-2019	1001243	3.5210	1001243	3.5210

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
	Sale 31-May-2019	-500000	1.7583	501243	1.7627
	At the end of the Year 31-Mar-2020	501243	1.7627	501243	1.7627
9	RENU DEVI JALAN				
	At the beginning of the year 30-Mar-2019	800000	2.8133	800000	2.8133
	At the end of the Year 31-Mar-2020	800000	2.8133	800000	2.8133
10	SRI HARI VALLABHAA ENTERPRISES & INVESTMENTS PVT LTD				
	At the beginning of the year 30-Mar-2019	660759	2.3236	660759	2.3236
	Sale 24-May-2019	-660759	2.3236	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
11	ABHISHEK SARAFF				
	At the beginning of the year 30-Mar-2019	589700	2.0737	589700	2.0737
	At the end of the Year 31-Mar-2020	589700	2.0737	589700	2.0737
12	ASSAM MERCANTILE CO LTD				
	At the beginning of the year 30-Mar-2019	525144	1.8467	525144	1.8467
	At the end of the Year 31-Mar-2020	525144	1.8467	525144	1.8467
13	KANISHK GUPTA				
	At the beginning of the year 30-Mar-2019	417612	1.4685	417612	1.4685
	At the end of the Year 31-Mar-2020	417612	1.4685	417612	1.4685
14	INDIAN CORPORATE BUSINESS CENTRE LTD				
	At the beginning of the year 30-Mar-2019	349400	1.2287	349400	1.2287
	At the end of the Year 31-Mar-2020	349400	1.2287	349400	1.2287
15	SATYA NARAIN GUPTA JT1 : LAXMI DEVI GUPTA JT2 : RAMESH KUMAR GUPTA				
	At the beginning of the year 30-Mar-2019	346600	1.2188	346600	1.2188
	At the end of the Year 31-Mar-2020	346600	1.2188	346600	1.2188



Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
16	ROOP CHAND BETALA JT1 : RATNA BETALA				
	At the beginning of the year 30-Mar-2019	100000	0.3516	100000	0.3516
	At the end of the Year 31-Mar-2020	100000	0.3516	100000	0.3516
17	RAVI GUPTA MR				
	At the beginning of the year 30-Mar-2019	80800	0.2841	80800	0.2841
	At the end of the Year 31-Mar-2020	80800	0.2841	80800	0.2841
18	RAJESH KUMAR GUPTA				
	At the beginning of the year 30-Mar-2019	57050	0.2006	57050	0.2006
	At the end of the Year 31-Mar-2020	57050	0.2006	57050	0.2006
19	NIVEDITA GUPTA				
	At the beginning of the year 30-Mar-2019	10000	0.0351	10000	0.0351
	At the end of the Year 31-Mar-2020	10000	0.0351	10000	0.0351
20	NIVEDITA GUPTA				
	At the beginning of the year 30-Mar-2019	2194	0.0077	2194	0.0077
	At the end of the Year 31-Mar-2020	2194	0.0077	2194	0.0077
21	ARVIND GUPTA .				
	At the beginning of the year 30-Mar-2019	1892	0.0066	1892	0.0066
	Sale 24-May-2019	-1892	0.0066	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
21	ARVIND GUPTA				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 24-May-2019	1892	0.0066	1892	0.0066
	At the end of the Year 31-Mar-2020	1892	0.0066	1892	0.0066
22	SUBHASH CHANDRA SARAFF				
	At the beginning of the year 30-Mar-2019	292	0.0010	292	0.0010
	At the end of the Year 31-Mar-2020	292	0.0010	292	0.0010

(iv) Share holding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
1	CHENNAI MATERIAL RECYCLING AND TRADING COMPANY PRIVATE LTD				
	At the beginning of the year 30-Mar-2019	2489584	8.7550	2489584	8.7550
	At the end of the Year 31-Mar-2020	2489584	8.7550	2489584	8.7550]
2	ROTOFLEX PACKAGING (P) LTD				
	At the beginning of the year 30-Mar-2019	700745	2.4642	700745	2.4642
	At the end of the Year 31-Mar-2020	700745	2.4642	700745	2.4642
3	GLOBE STOCKS AND SECURITIES LTD.				
	At the beginning of the year 30-Mar-2019	604805	2.1268	604805	2.1268
	At the end of the Year 31-Mar-2020	604805	2.1268	604805	2.1268
4	PRJ FINANCE PVT. LTD.				
	At the beginning of the year 30-Mar-2019	485000	1.7055	485000	1.7055
	At the end of the Year 31-Mar-2020	485000	1.7055	485000	1.7055
5	VINOD KUMAR GARG				
	At the beginning of the year 30-Mar-2019	284207	0.9994	284207	0.9994
	At the end of the Year 31-Mar-2020	284207	0.9994	284207	0.9994
6	SANGITA GARG				
	At the beginning of the year 30-Mar-2019	271664	0.9553	271664	0.9553
	At the end of the Year 31-Mar-2020	271664	0.9553	271664	0.9553
7	KARIKISH VYAPAAR PRIVATE LIMITED				
	At the beginning of the year 30-Mar-2019	249101	0.8760	249101	0.8760
	At the end of the Year 31-Mar-2020	249101	0.8760	249101	0.8760
8	VINOD KUMAR GARG				
	At the beginning of the year 30-Mar-2019	243629	0.8567	243629	0.8567
	At the end of the Year 31-Mar-2020	243629	0.8567	243629	0.8567



Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
9	D M TRADING PVT LTD				
	At the beginning of the year 30-Mar-2019	231200	0.8130	231200	0.8130
	At the end of the Year 31-Mar-2020	231200	0.8130	231200	0.8130
10	SHAILESH OMPRAKASH JALAN				
	At the beginning of the year 30-Mar-2019	150410	0.5289	150410	0.5289
	At the end of the Year 31-Mar-2020	150410	0.5289	150410	0.5289
	NEW TOP 10 AS ON (31-Mar-2020)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
	NIL				

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	- -	- -	- -	- -
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Vishal Keyal	Mr. Ashok Bohra	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000	18,00,000	27,00,000
	(b) Value of perquisites u/s 17(2) Income-taxAct, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- Others, specify	-	-	-
5.	Others, please specify -	-	-	-
	Total (A)	**9,00,000**	**18,00,000**	**27,00,000**
	Ceiling as per the Act			



Remuneration to other directors:

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. R. Ramesh	Mr. Pravin Kumar Agarwal	Mrs. Sheril Theodore	
Independent Directors				
• Fee for attending board / committee meetings	21,000	21,000	17,000	59,0000
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
Total (1)	**21,000**	**21,000**	**17,000**	**59,0000**
Other Non-Executive Directors	-	-	-	-
• Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	-
Total (2)	**-**	**-**	**-**	**-**
Total (B)=(1+2)	**21,000**	**21,000**	**17,000**	**59,0000**
Total Managerial Remuneration	**9,00,000**	**18,00,000**	**27,00,000**	
Overall Ceiling as per the Act				

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			R. Balaji Ravigopal		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,40,000	-	2,40,000
	(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	-	-	-	-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			R. Balaji Ravigopal		
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	 - -	 - -	 - -	 - -
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2020

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

To,
The members of
Kanishk Steel Industries Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kanishk Steel Industries Limited, (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

1. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the company, during the audit period covering the financial year ended on 31st March 2020, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required 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, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on 31stMarch 2020 according to the applicable provisions of:

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

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

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

   iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

      b) The Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- *Not applicable as the Company has not granted any Options to its employees during the financial year under review;*

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- *Not applicable as the Company has not issued any debt securities during the financial year under review;*

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- *Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;*

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- *Not applicable as the Company has not delisted / propose to delist its shares from any stock exchange during the financial year under review;*

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - *Not applicable as the Company has not bought back/ propose to buyback any of its securities during the financial year under review.*

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2);

ii) The Listing Agreement entered by the Company with BSE Limited in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations,2015.

During the period under review, we report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors, and a Women Director. 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, agenda and detailed note are given to all directors to schedule the board meetings 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.

During the period, under review, all decisions were carried unanimously as there were no dissent raised by any member of the Board. The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in

other entities as and when required and their disclosures have been noted and recorded by the Board.

We further report that there are adequate systems and processes in the Company, which are 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 not transacted any special business other than the ordinary business at the 9th AGM held on 30.09.2019.

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

For M K MADHAVAN & ASSOCIATES,
Company Secretaries,

M K MADHAVAN
Proprietor,
Membership No. : F8408
C.P.No. : 16796

UDIN: F008408B000537255

Date : 31st July 2020
Place : Chennai

[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

Annexure A

To,
The members of
Kanishk Steel Industries Limited.

Sub. : Secretarial Audit of Kanishk Steel Industries Limited for the financial year ended 31st March 2020.

This letter forms integral part of our secretarial audit report dated 31st July 2020.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial record by the Company and devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the system is adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. The Compliance of the provisions of corporate and other applicable laws, rules and regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
4. We believe that audit evidence and information obtained from the Company's management is reasonably adequate and appropriate to provide a reasonable basis for our opinion.
5. We have obtained necessary Management representations about the compliance of laws, rules and regulations and other relevant corporate actions, etc.,

Disclaimer:

6. We have not verified the correctness and appropriateness of financial records and books of accounts and other such information/records of the Company, which were outside our agreed scope.
7. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M K MADHAVAN & ASSOCIATES,**
Company Secretaries,

M K MADHAVAN
Proprietor,
Membership No. : F8408

C.P.No. : 16796

Date : 31st July 2020
Place: Chennai



INDEPENDENT AUDITORS' REPORT

To the Members of Kanishk Steel Industries Limited
Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standaloneInd AS financial statements of Kanishk Steel Industries Limited(the 'Company'), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly our audit included the performance of procedures designed to respond

to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standaloneInd AS financial statements:

Key Audit Matters	How the matter was addressed in our Audit
Verification of Inventory and Valuation thereof The total inventory of the Company amounting to Rs. 47,73,87,084 (as on March 31, 2020) forms about 40.59% of the total assets of the Company. This includes bulk materials such as MS Scrap, billets, Steel Scrap etc, which are susceptible to handling loss, spillage etc. and determination of the same requires estimation based on experience and technical expertise. Also, the physical verification of the inventories could not be carried out and/or observed by us due to lockdown restrictions at the year end.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of determination of year-end inventory and valuation thereof include the following: We have applied alternative methods of verification for arriving at Inventories as at the year-end by applying roll back principles and carrying out relevant adjustments for receipt and issues. Materiality for variations, discrepancies after considering the reasonable allowance for volumetric measurement were duly adjusted with respect to subsequent movements and discrepancies and adjustments pursuant to last such verification carried out. While necessary review and other corroborative evidences were obtained and verified, professional expert's report and conclusions drawn by them on the matter We have verified the adjustments made for receipt and consumption to arrive at the physical stock as on March 31, 2020; and We examined the valuation process / methodology and checks being performed at multiple levels to ensure that the valuation is consistent with and asper the policy followed in this respect.

Emphasis of Matter

We draw attention to Note 5 (a) to the Statement which explains the extent to which COVID-19 pandemic will impact the Company's operations and financial results which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Other Matter:

Due to the COVID-19 related lockdowns, we undertook online verification of the documents / records / statements on the basis of the assurance given by the management about the accuracy



and authenticity of the same. We have performed alternate procedures of audit as per the guidance provided in SA 501 "Audit Evidence-Specific Considerations for selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Ind AS financial statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these stand aloneInd AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 stand alone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of standalone Ind AS financial statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

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

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



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March 2020and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account;

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

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

   f) with respect to the adequacy of the internal financial controls over financial reporting of the company with reference these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our report as per "Annexure B" to this report;

   g) In our opinion, the managerial remuneration for the year ended 31st March 2020 has been paid/ provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standaloneInd AS financial statements - Refer Note 34to the standalone Ind AS financial statements

ii. the Company has made provision, as required under the applicable law or Ind AS, 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 during the year ended 31st March 2020;

For **Puja Rathi & Associates**
Chartered Accountants
FRN 014457S

Puja Rathi, FCA
Proprietor
M. No. 064246

UDIN. : 20064246AA44AE9927
Date : 31-07-2020
Place : Chennai



Annexure A to the Independent Auditor's Report of even date to the members of Kanishk Steel Industries Limited, on the standaloneInd AS financial statements for the year ended 31st March 2020

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(b) All property, plant and equipment have not been physically verified by the management during the year, but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and the records examined by us and based on examination of the registered sale deed / transfer deed/ conveyance deed provided to us, we report that title deed of free hold land are held in the name of the company as at the balance sheet date. In respect of immovable property of land that have been taken on lease and disclosed as property plant and equipment in the financial statements, the lease agreements are in the name of the company where the company is lessee in the agreement.

(ii) On account of COVID-19 related lockdown restrictions, as explained to us, the management could not conduct the year-end physical verification of Inventory and has arrived at the quantity and value as per the regular records maintained by them also depending on the periodical physical verification of Inventories conducted during the year at reasonable intervals during which no material discrepancy was observed by them.

(iii) As per the information and explanation given to us and as per the records produced to us the Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under section189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause3 (iii) (a) to (c)of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect of loans and investments and providing guarantees and securities as applicable.

(v) According to the information and explanation given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the act and the Companies(Acceptance of Deposits) Rule, 2014 as amended would apply. Accordingly, paragraph 3(v) is not applicable to the company.

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

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statute Name	Nature of dues	Amount in Rs.	Forum where dispute is pending
Central Excise Law	Dispute relating to re-fixation of Annual capacity	Rs.9,00,000 Plus equal amount of penalty plus interest thereon.	Honb'le High Court of Madras.
TNVAT	Dispute relating to Input Tax Credit	Rs 2,56,35,950/- plus penalty of Rs.17,68,920/- plus interest thereon of Rs. 17,91,031/-	Commercial Tax Officer, Chennai / Honb'le High Court of Madras.
TNVAT Income tax Act ,1961	Income Tax	Rs.4,59,82,174	Assessing Officer
Income tax Act ,1961	TDS	Rs.2,95,000	Assessing Officer

(viii) In our opinion and according to the information and explanations given to us,as at the reporting date, the Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or Government or dues to debenture-holders. The company has not taken any loans from the Government.

(ix) The company has not raised moneys by way of initial public offer or further publicoffer (including debt instruments) or Term Loan during the year. Hence reporting under clause (ix) of the CARO, 2016 are not applicable.

(x) To the best of our knowledge and 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 period covered by our audit.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013,where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements.

(xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cashtransactions with directors or persons connected with him covered under section192 of the Act. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **Puja Rathi & Associates**
Chartered Accountants
FRN 014457S

Puja Rathi, FCA
Proprietor
M. No. 064246

UDIN. : 20064246AA44AE9927
Date : 31-07-2020
Place : Chennai

Annexure B to the Independent Auditor's Report of even date to the members of Kanishk Steel Industries Limited, on the standalone Ind AS financial statements for the year ended 31st March 2020

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

We have audited the internal financial controls over financial reporting (IFCoFR) of Kanishk Steel Industries Limited (the "Company") as of that date in conjunction with our audit of the stand alone Ind AS financial statements of the Company for the year ended 31st March 2020.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of IFCoFR and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR with reference to these standalone 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 IFCoFR with reference to these standalone financial statements and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting with reference to these standalone financial statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these standalone financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Puja Rathi & Associates**
Chartered Accountants
FRN 014457S

Puja Rathi, FCA
Proprietor
M. No. 064246

UDIN. : 20064246AA44AE9927
Date : 31-07-2020
Place : Chennai

KANISHK STEEL INDUSTRIES LIMITED
BALANCE SHEET AS ON 31st March 2020

PARTICULARS	Note No.	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)
ASSETS			
1. NON-CURRENT ASSETS			
a. Property, Plant and Equipment	6	10,24,08,173	11,07,46,028
b. Capital Work in Progress		3,55,93,813	3,55,93,813
c. Financial Assets			
(i) Investments:			
(ii) Other Financial Assets	7	3,02,77,747	2,30,47,623
d. Other Non-Current assets	8	3,59,29,709	2,48,40,741
Total Non-Current Assets		**20,42,09,443**	**19,42,28,205**
2. CURRENT ASSETS			
a. Inventories	9	47,73,87,084	48,32,03,400
b. Financial Assets			
(I) Trade Receivables	10	27,99,96,150	30,62,78,856
(ii) Cash & Cash Equivalents	11	14,45,452	25,98,437
(iii) Bank Balances other than (ii) above	12	3,30,91,047	4,35,79,484
(iv) Loans and Advances	13	13,01,45,625	13,60,94,900
c. Other Current Assets	14	4,99,89,335	11,82,09,929
Total Current Assets		**97,20,54,693**	**1,08,99,65,006**
Total Assets		**1,17,62,64,136**	**1,28,41,93,210**
EQUITY AND LIABILITIES			
1. EQUITY			
a. Equity Share Capital	15	28,46,56,570	28,46,56,570
b. Other Equity	16	24,92,21,563	22,87,61,706
Total Equity		53,38,78,133	51,34,18,276
2. NON-CURRENT LIABILITIES			
a. Deferred Tax Liabilities	17	1,63,73,793	2,90,86,022

PARTICULARS	Note No.	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)
b. Provisions	18	41,13,454	41,88,903
Total Non Current Liabilities		2,04,87,247	3,32,74,925
3. CURRENT LIABILITIES			
a. Financial Liabilities			
(I) Borrowings	19	17,04,06,627	18,61,26,332
(ii) Trade Payables			
Total Outstanding dues to Micro and Small Enterprises		-	-
Total Outstanding dues of Creditors other than Micro and Small Enterprises	20	29,83,95,889	39,69,93,275
(iii) Other Financial Liabilities	21	80,15,420	1,80,48,161
b. Other Current Liabilities	22	13,69,04,064	9,55,63,452
c. Provision	23	81,76,756	4,07,68,789
Total Current Liabilities		**62,18,98,755**	**73,75,00,009**
Total Liabilities		**64,23,86,003**	**77,07,74,934**
Total Equity and Liabilities		**1,17,62,64,136**	**1,28,41,93,210**

Significant Accounting Policies
Accompanying Notes are integral part of the Financials Statements.

As per the report of event date annexed

For and on behalf of the Board of Directors

For PUJA RATHI & ASSOCIATES
Chartered Accountants
FRN 014457S

VISHAL KEYAL
Chairman & Managing Director

ASHOK BOHRA
Whole-time Director & CFO

PUJA RATHI, FCA
Proprietor
M. No. 064246

R. BALAJI RAVIGOPAL
Company Secretary

Date : 31.07.2020
Place : Chennai

KANISHK STEEL INDUSTRIES LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2020

PARTICULARS	Note No.	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)
ASSETS			
1. Revenue from Operations	24	2,55,82,18,008	3,30,28,68,811
2. Other Income	25	4,28,74,068	2,10,58,979
3. Total Income		2,60,10,92,075	3,32,39,27,790
4. Expenses			
a. Cost of Material Consumed	26	2,38,43,63,615	2,38,53,11,612
b. Purchases of Stock In Trade		3,78,72,573	42,06,76,518
c. Changes in Inventories of finished goods and Work in Progress	27	(24,69,38,573)	76,22,123
d. Employee Benefit Expenses	28	2,96,81,556	1,51,84,879
e. Finance Costs	29	1,52,72,950	2,48,36,550
f. Depreciation and Amortisation expenses	6	83,37,858	86,90,422
g. Other expenses	30	35,56,96,634	38,95,15,008
Total Expenses		2,58,42,86,613	3,25,18,37,112
5. Profit before exceptional items and tax (3-4)		1,68,05,462	7,20,90,678
6. Exceptional Items		-	-
7. Profit before Tax (5 +6)		1,68,05,462	7,20,90,678
I. Current Tax		76,91,227	2,93,59,908
II. Deferred tax		(1,27,12,229)	-
III. Earlier Year Tax adjustments		15,58,289	
9. Profit for the year (7 -8)		2,02,68,175	4,27,30,770
10. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans		1,91,681	(8,12,585)
Total Comprehensive Income for the year		1,91,681	(8,12,585)

PARTICULARS	Note No.	As at 31st March 2020 (Amount in Rs.)	As at 31st March 2019 (Amount in Rs.)
Total Comprehensive Income for the year, net of tax		2,04,59,856	4,19,18,185
11. Earnings Per Share (EPS) of Rs.10 each (not annualised)			
Basic and Diluted EPS (In Rs.)		0.71	1.50

Significant Accounting Policies
Accompanying Notes are integral part of the Financials Statements.

As per the report of event date annexed

For and on behalf of the Board of Directors

For PUJA RATHI & ASSOCIATES
Chartered Accountants
FRN 014457S

VISHAL KEYAL
Chairman & Managing Director

ASHOK BOHRA
Whole-time Director & CFO

PUJA RATHI, FCA
Proprietor
M. No. 064246

R. BALAJI RAVIGOPAL
Company Secretary

Date : 31.07.2020
Place : Chennai

KANISHK STEEL INDUSTRIES LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31-03-2020

(Amount in Rs.)

PARTICULARS	For The Year Ended 31.03.2020		For The Year Ended 31.03.2019	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax:		1,68,05,462		7,20,90,678
Adjustments for:				
Depreciation / Amortisation	83,37,858		86,90,385	
Rent received	(8,90,604)		(7,42,176)	
Profit / (loss) on Fair Valuation of investments through profit & loss account	(73,98,724)		16,09,682	
Profit / (Loss) on sale of Property, Plant and Equipment	-		-	
Profit/(Loss) on sale of Shares	(20,100)		(12,08,478)	
Interest Income	(30,86,421)		(33,83,190)	
Interest Expense	1,52,72,950	1,22,14,959	2,48,36,550	2,98,02,773
Operating Profit before working capital changes		**2,90,20,421**		**10,18,93,451**
Adjustments for :				
(Increase)/ Decrease in Trade Receivables	2,62,82,705		24,91,99,011	
(Increase)/ Decrease in Inventories	58,16,317		1,71,01,036	
(Increase)/ Decrease in Loans & Advances	59,49,275		(13,56,77,450)	
(Increase)/ Decrease in Other Current Assets	6,82,20,593		(6,38,88,237)	
(Increase) / Decrease in Other Financials Assets	(1,10,88,968)			-
Increase/ (Decrease) in Trade Payables, Other Financial and non financial liabilities and provisions	(5,71,40,543)		(20,66,55,883)	
		3,80,39,379		(13,99,21,524)
		6,70,59,800		(3,80,28,072)
Less: Taxes Paid		(4,18,41,549)		(2,93,59,908)
Net Cash Flow from operating activities (A)		**2,52,18,251**		**(6,73,87,981)**



PARTICULARS	For The Year Ended 31.03.2020		For The Year Ended 31.03.2019	
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	-			-
Sale of Property, Plant and Equipment	-		(5,00,000)	
Interest Received	30,86,421		(58,01,402)	
(Increase) / Decrease in Bank balances considered as other than Cash & Cash equivalents	1,04,88,437		33,83,190	
Rent received	8,90,604		(65,51,376)	
Capital Work in progress	-		7,42,176	
(Purchase)/Sale of Investment	1,88,700		(36,35,000)	
Profit on sale of sale of assets	-		24,99,838	
Net Cash Flow from Investing activities (B)		**1,46,54,160**	**-**	**(98,62,574)**
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of Long term borrowings	-			-
Repayment of Short term borrowings	(1,57,19,705)		9,38,99,686	
Increase/ (Decrease) in Other Financial Liabilities	(1,00,32,741)		90,48,912	
Interest paid	(1,52,72,950)		(2,48,36,550)	
Net Cash Flow from Financing activities (c)		**(4,10,25,396)**		**7,81,12,048**
Net Increase in cash Equivalents (A)+(B)+(C)		**(11,52,985)**		**8,61,493**
Cash & Cash Equivalents (Opening Balance)	25,98,437		17,36,944	

PARTICULARS	For The Year Ended 31.03.2020		For The Year Ended 31.03.2019	
Cash & Cash Equivalents (Closing Balance)	14,45,452		25,98,437	
Net Increase/(Decrease) in Cash & Cash Equivalents		**(11,52,985)**		**8,61,493**
Notes				
1. Component of Cash and Cash Equivalent:				
a) Cash in Hand		11,03,770		25,05,361
b) Balances with Bank				
- In Current Accounts		3,41,682		93,076
TOTAL		**14,45,452**		**25,98,437**

2. The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows.

3. Ind AS 7 Cash flow statements requires the entities to provide disclousre that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet of liabilities arising from financing activities, to meet the disclosure requirements.



	As at As at March 31, 2019	Cash Flows*	Non-Cash Flows	As at As at March 31, 2020
Short Term Borrowings	**18,61,26,332**	**(1,57,19,705)**	**-**	**17,04,06,627**

Significant Accounting Policies
Accompanying Notes are integral part of the Financials Statements.

As per the report of event date annexed

For PUJA RATHI & ASSOCIATES
Chartered Accountants
FRN 014457S

PUJA RATHI, FCA
Proprietor
M. No. 064246

Date : 31.07.2020
Place : Chennai

For and on behalf of the Board of Directors

VISHAL KEYAL
Chairman & Managing Director

ASHOK BOHRA
Whole-time Director & CFO

R. BALAJI RAVIGOPAL
Company Secretary

Note 6
Property, Plant and Equipment

Details	Land	ROU Land-Lease hold	Non Factory Building	Factory Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Furniture and Fixtures	Vehicles	CWIP	Crane	TOTAL
Year ended 31 March 2020												
Opening Gross Carrying Amount	62,83,138	15,00,897	3,01,200	2,21,28,181	8,43,33,009	18,70,049	2,24,150	8,06,268	71,67,647	-	1,84,22,770	14,30,37,309
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as at 31 March 2020	**62,83,138**	**15,00,897**	**3,01,200**	**2,21,28,181**	**8,43,33,009**	**18,70,049**	**2,24,150**	**8,06,268**	**71,67,647**	-	**1,84,22,770**	**14,30,37,309**
Accumulated Depreciation and Impairment	-	-	-	-	-	-	-	-	-	-	46,23,183	3,22,91,281
Opening accumulated depreciation	-	61,680	-	30,82,290	1,97,10,955	10,02,201	-	5,80,979	32,29,992	-	15,41,061	83,37,858
Depreciation charged during the year	-	20,560	-	10,43,744	49,11,015	16,513	-	14,244	7,90,720	-	-	-
Deduction/Adjustmen											-	-
IND AS Adjustment Entries (Accumulated Depreciation)	-	-	-	-	-	-	-	-	-	-		
Closing Accumulated Depreciation and Impairment as at 31 March 2020	-	**82,240**	-	**41,26,034**	**2,46,21,970**	**10,18,714**	-	**5,95,224**	**40,20,712**	-	**61,64,245**	**4,06,29,139**
Net Carrying Amounts as at 31 March 2020	**62,83,138**	**14,18,657**	**3,01,200**	**1,80,02,147**	**5,97,11,039**	**8,51,335**	**2,24,150**	**2,11,044**	**31,46,935**	-	**1,22,58,525**	**10,24,08,173**

Details	Land	ROU Land-Lease hold	Non Factory Building	Factory Buildings	Plant & Machinery	Electrical Installations	Office Equipment	Furniture and Fixtures	Vehicles	CWIP	Crane	TOTAL
Year ended 31 March 2019												
Gross carrying amount												
Opening Gross Carrying Amount	62,83,138	15,00,897	3,01,200	2,21,28,181	8,38,33,009	18,70,049	2,24,150	8,06,268	71,67,647	-	1,84,22,770	14,25,37,309
Additions	-	-	-	-	5,00,000	-	-	-	-	-	-	5,00,000
Deletions	-	-	-	-	-				-	-		-
Closing Gross Carrying Amount as at 31 march 2019	**62,83,138**	**15,00,897**	**3,01,200**	**2,21,28,181**	**8,43,33,009**	**18,70,049**	**2,24,150**	**8,06,268**	**71,67,647**	**-**	**1,84,22,770**	**14,30,37,309**
Accumulated Depreciation and Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	41,120	-	20,54,860	1,48,33,126	9,85,688	-	5,46,610	20,57,333	-	30,82,122	2,36,00,859
Depriciation charged during the year 2018-19	-	20,560		10,27,430	48,77,829	16,513	-	34,369	11,72,659	-	15,41,061	86,90,422
IND AS Adjustment Entries (Depreciation P&L)	-	-	-	-	-	-	-	-	-	-	-	-
Deduction/Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
IND AS Adjustment Entries (Accumulated Depreciation)	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation and Impairment as at 31 March 2019	**-**	**61,680**	**-**	**30,82,290**	**1,97,10,955**	**10,02,201**	**-**	**5,80,979**	**32,29,992**	**-**	**46,23,183**	**3,22,91,281**
Net Carrying Amounts as at 31 March 2019	**62,83,138**	**14,39,217**	**3,01,200**	**1,90,45,891**	**6,46,22,054**	**8,67,848**	**2,24,150**	**2,25,289**	**39,37,655**	**-**	**1,37,99,587**	**11,07,46,028**

Refer Note no. 19 to financial statements in respect of charge created against borrowings

ROU Land-Leasehold taken on lease and recognized as "Right of Use" in accordance with IND AS-116 on implementation with effect from April 1, 2019.

7 . Non - Current Investments, Fully Paid up except otherwise stated

PARTICULARS		AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
Investments designated at Fair Value through Profit & Loss			
Quoted			
78750	Tulsyan Power Limited, Equity shares of Rs.10/- each	20,142	47,490
781399	Gita Renewable Energy Limited (previous year:10,69,399)	44,14,904	40,16,391
		44,35,045.86	40,63,880.86
Unquoted			
9100	OPG Energy Private Limited-'A' Class Shares of Rs.10/- each	-	1,68,600
323375	OPG Business Centre Pvt Ltd Class A Shares of Rs.10/- each (Previous Year:323375 Shares of Rs.10 each)	35,04,428	32,33,750
38700	Yukti Wind Power Private Limited, Class A Shares of Rs.10/- each	50,68,219	3,93,192
1398820	OPG Energy Private Limited, Class C Shares Equity shares of Rs.10/- each (Previous Year:11398820 Shares of Rs.10 each)	1,60,70,054	1,39,88,200
1200000	Nagai Power Private Limited equity shares of Rs.10 each	12,00,000	12,00,000
		2,58,42,701.00	1,89,83,742.00
Total Non-Current Investments		**3,02,77,747**	**2,30,47,623**
Aggregate amount of Quoted Investments		44,35,046	40,63,881
Aggregate market value of Quoted Investments		44,35,046	40,63,881
Aggregate amount of Unquoted Investments		2,58,42,701	1,89,83,742
Aggregate amount of Impairment in value of Investments		NIL	NIL
Particulars of Investments as required in terms of Section 186(4) of the Companies Act, 2013 has been disclosed herein above.			



PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
8. OTHER FINANCIAL ASSETS (Unsecured, Considered good)		
a. Security Deposits	2,84,29,709	1,73,40,741
b. Deposits with related party	75,00,000	75,00,000
Total	**3,59,29,709**	**2,48,40,741**
9. INVENTORIES **(Valued at lower of Cost and Net Realisable Value)** (as valued and certified by the manangement)		
a) Raw Materials	9,01,92,017	35,26,30,216
b) Work in progress	2,20,03,022	-
c) Finished Goods	35,20,77,278	12,71,41,727
d) Stores and Spares	1,31,14,767	34,31,457
	47,73,87,084	**48,32,03,400**
Refer Note no. 19 to financial statements in respect of charge created against borrowings		
10 TRADE RECEIVABLES		
Unsecured, Considered Good	27,99,96,150	30,62,78,856
Total	**27,99,96,150**	**30,62,78,856**
Ageing of Trade Receivables		
Within Credit Period		
1 - 180 Days past due	25,67,54,562	28,52,70,976
More than 180 days past due	2,32,41,589	2,10,07,879
Total	**27,99,96,150**	**30,62,78,856**

Notes :

i) Trade Receivables are interest bearing @ 18% p.a and are generally on terms of 1 to 30 days

ii) Refer Note 19.1 for hypothecation of above receivables and there are no amount due from related parties

iii) Before accepting any new customer the company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attibuted to customers are reviewed once a year. The company does not hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the company to the counterparty. Trade receivables have been given as collateral towards borrowings details relating to which has been described in Note 19. Trade Receivables from related parties has been described in Note 19. Trade receivables does not include any receivables from directors and officers of the company.

iv) The fair value of Trade receivables is not materially different from the carrying value presented.

PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
11. CASH & CASH EQUIVALENTS		
a) Cash in Hand	11,03,770	25,05,361
b) Balances with Bank In Current Accounts	3,41,682	93,076
Total	**14,45,452**	**25,98,437**
12. Bank Balances (Other than Cash and Cash Equivalents)		
a) Deposits with Bank (having original maturity more than 3 months & less than 1 year)	3,30,91,047	4,35,79,484
Total	**3,30,91,047**	**4,35,79,484**
13. Loans & Advances (Unsecured, Considered Good)		
a) Advance - Others	6,43,500	10,07,58,500
b) Advance - Related Party	12,95,02,125	3,53,36,400
Total	**13,01,45,625**	**13,60,94,900**
Disclosures of Loans and Advance as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) are as follows:		
Loans and Advances in the nature of loans to companies in which directors are interested.		
Om Power Shakthi Private Limited	12,09,00,000	10,02,00,000
All the above advances are given for general corporate purposes		
Disclosure of Inter Corporate Loans (other than above) as per Sec186(4) of the Companies Act 2013 are as follows:		
NIL	-	-
14. OTHER CURRENT ASSETS		
a) Supplier advance	2,75,13,636	7,92,86,910
b) Balances with government authorities	2,24,75,700	3,89,23,019
Total	**4,99,89,335**	**11,82,09,929**



PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
15. SHARE CAPITAL		
I. Authorised Share Capital		
2,98,00,000 Equity Shares of Rs.10 each (Previous Year 2,98,00,000)	29,80,00,000	29,80,00,000
20,000 15% Cumulative Redeemable Preference Shares of Rs.100 each (Previous Year 20,000)	20,00,000	20,00,000
Total	**30,00,00,000**	**30,00,00,000**
II. Issued, subscribed and fully paid capital:		
2,84,36,074 Equity shares of Rs.10 each fully paid-up.		
(Previous Year 2,84,36,074)		
Opening Balance	28,43,60,740	28,43,60,740
Issued during the year	-	-
Cancelled during the year	-	-
Closing Balance	**28,43,60,740**	**28,43,60,740**
III. Issued, subscribed but not fully paid capital:		
Less: Calls Unpaid		
By Directors	-	-
By Others	-	-
Add: Forefeited Shares	2,95,830	2,95,830
Total	**28,46,56,570**	**28,46,56,570**

a) Movement of Shares

There is no movement of shares outstanding at the beginning and at the end of the reporting period.

b) Terms / rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the assets of the company, in proportion to the number of equity shares held by the shareholders.

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

Name of the Shareholder	AS AT 31.03.2020 No. of Share	AS AT 31.03.2019 No. of Share
Chennai Material Recycling & Trading Company Pvt Ltd	24,89,584	24,89,584
Rajesh Kumar Gupta	31,57,641	23,70,174
Shailja Gupta	23,04,302	22,29,428
Tamilnadu Property Developers Ltd	24,00,000	24,00,000
Tamilnadu Enterprises & Investments Pvt Ltd	20,15,497	20,15,497
Radiant Solutions Private Ltd	20,00,000	20,00,000
Ameena Bagum	20,00,000	20,00,000

Statement of Changes In Equity for the year Ended 31st March, 2020

A. Equity Share Capital								
As at March 31, 2019	28,46,56,570							
Movement during the year -	-							
Balance at the end of March 31, 2020	28,46,56,570							
B. Other Equity March 31, 2020								
				Reserve & Surplus				
Particulars	**Capital Reserves**	**Reserve & Redemption in Reserve**	**Securities Premium**	**Revaluation Reserve**	**General Reserve**	**Retained Earnings**	**Items of Other Comprehensive Income**	**Total**
Balance as at March 31, 2019	87,32,431	3,00,000	9,87,11,726	5,40,44,545	(44,27,25,002)	51,28,54,525	(31,56,513)	22,87,61,711
Profit for the year	-	-	-	-	-	2,02,68,171	-	2,02,68,171
Other Comprehensive Income for the year	-	-	-	-	-	-	1,91,681	1,91,681
Transfer from/to Retained Earning [Refer Note 32(c)]	-	-	84,31,617	(47,05,108)	-	(37,26,509)	-	-
Balance as at March 31, 2020	87,32,431	3,00,000	10,71,43,343	4,93,39,437	(44,27,25,002)	52,93,96,188	(29,64,832)	24,92,21,563
As at March 31, 2019								
Balance as at March 31, 2018	87,32,431	3,00,000	9,92,48,245	5,87,49,653	(44,27,25,002)	46,54,18,646	(23,43,928)	18,73,80,044
Profit for the year	-	-	-	-	-	4,27,30,770	-	4,27,30,770
Other Comprehensive Income for the year	-	-	-	-	-	-	(8,12,585)	(8,12,585)
Transfer from/to Retained Earning	-	-	(5,36,519)	(47,05,108)	-	47,05,109	-	(5,36,518)



PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
16. OTHER EQUITY		
I. Capital Reserve		
Opening Balance	87,32,431	87,32,431
Additions during the year	-	-
Utilisation during the year	-	-
Closing Balance	87,32,431	87,32,431
II. Capital Redemption Reserve		
Opening & Closing Balance	3,00,000	3,00,000
III. Securities Premium Reserve		
Opening & Closing Balance	9,87,11,726	9,92,48,245
Additions during the year		(5,36,519)
Utilisation during the year	-	-
Closing Balance	9,87,11,726	9,87,11,726
IV. Revaluation Reserve		
Opening Balance	5,40,44,545	5,87,49,653
Additions during the year	-	-
Utilisation during the year	(47,05,108)	(47,05,108)
Closing Balance	4,93,39,437	5,40,44,545
V. General Reserve		
Opening Balance	(44,27,25,002)	(44,27,25,002)
Additions during the year	-	-
Utilisation during the year		-
Closing Balance	(44,27,25,002)	(44,27,25,002)
VI. Retained Earnings		
Opening Balance	51,28,54,525	46,54,18,641
Profit for the year	2,02,68,175	4,27,30,770
Transfer from Revaluation Reserve	47,05,108	47,05,108
Earlier Year Tax Adjustments	-	-
Closing Balance	53,78,27,809	51,28,54,519
VI. Other Comprehensive Income		
Opening Balance	(31,56,513)	(23,43,928)
Additions during the year	1,91,681	(8,12,585)
Utilisation during the year	-	-
Closing Balance	(29,64,832)	(31,56,513)
Total	**24,92,21,563**	**22,87,61,712**

Refer Statement of Changes in Equity for movement in balance of reserves

Nature of reserves

a) Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013

b) General Reserve

The general reserve represents appropriation of profits at the discretion of the Company. It is transferous from one component of equity to another. It is not an item of Other Comprehensive Income. It will not be reclassified to Profit and Loss.

c) Retained Earnings

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company. Other Comprehensive Income of Rs.29,64,832 as at 31st March 2020 (Rs,31,56,513/- as on 31st March 2019) relating to re-measurement of defined benefit plans which cannot be reclassified to Statement of Profit and Loss.

d) Capital Redemption Reserve

Reserve is primarily created as per statutory requirement.

e) Revaluation Reserve

Revaluation Reserve was created under the erstwhile Indian GAAP to recognise the gain due to increase in value of certain assets as on 31st March 2008 and utilised in accordance with provisions of the Companies Act 2013.

f) Capital Reserve

Capital reserve was created erstwhile under Indian GAAP on forfeiture of shares by the company

PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
17. Deferred Tax Liabilities (net)		
Deferred Tax Liability Fixed Asset - Impact of Difference between tax depreciation and depreciation charged in the financial statement (Refer Note No:32(b))	1,63,73,793	2,90,86,022
Gross Deferred Tax Liability - Total	**1,63,73,793**	**2,90,86,022**
18. Provisions		
For Employee Benefits	41,13,452	41,88,903
Total	**41,13,452**	**41,88,903**
19. BORROWING		
Working Capital Facilities from Banks	17,04,06,627	18,61,26,332
Cash Credit:		
Corporation Bank	52,23,285	20,55,904
State Bank of India	16,51,83,342	18,40,70,428
Total	**17,04,06,627**	**18,61,26,332**
19.1 Nature of Security and rate of interest: (Loan repayable on demand being Working Capital facilities from banks (both fund based and non-fund based) are secured by first paripassu charge on the stocks of raw materials, semi finished goods and finished goods, consumables, spares, receivables and other current assets of the Company & Equitable mortgage of land and building including Plant and Machinery and pledge of shares of the promoters and promoter group, Corporate guarantee by M/s.Tamilnadu property developers Ltd. Also personal guarantee by the promoters of the company)		
20. TRADE PAYABLES		
Due to Micro, Small and Medium enterprises Due to Others Refer Note No.42 for amount due to Related Parties	- 29,83,95,889	- 39,69,93,275
Total	**29,83,95,889**	**39,69,93,275**
21. OTHER FINANCIAL LIABILITIES		
a. Outstanding Liabilities	66,04,280	1,36,79,022
b. Statutory Liabilities	14,11,140	43,69,139
Total	**80,15,420**	**1,80,48,161**



PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
22. OTHER CURRENT LIABILITIES		
a. Advances from Customers	13,69,04,064	9,55,63,452
Total	**13,69,04,064**	**9,55,63,452**
23. PROVISIONS		
a. Provision for Income Tax	76,98,026	4,02,86,275
b. Provision for others	4,78,730	4,82,514
Total	**81,76,756**	**4,07,68,789**
24. Revenue From Operations		
Revenue from Sale of Manufactured products	2,51,96,93,479	2,86,75,19,661
Revenue from Sale of Traded Products	3,85,24,529	43,53,49,150
Total	**2,55,82,18,008**	**3,30,28,68,811**
Note 24a : Disaggregate Revenue **The break up with respect to type of revenue stream of the Company are as follows:**		
Major products	**31.03.2020**	**31.03.2019**
Manufactured - Steel and allied products	2,51,96,93,479	2,86,75,19,661
Trading - Steel and allied products	3,85,24,529	43,53,49,150
	2,55,82,18,008	**3,30,28,68,811**

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

PARTICULARS	31.03.2020	31.03.2019
(a) Trade Receivables	27,99,96,150	30,62,78,856
(b) Contract Liabilities(Advance from Customers)	13,69,04,064	9,55,63,452

Particulars		31.03.2018
(a) Trade Receivables		55,54,77,867
(b) Contract Liabilities(Advance from Customers)		18,43,85,661

Contract Liability - Advance from Customers

Set out below is the amount of revenue recognised from :	31.03.2020	31.03.2019
Opening Balance	9,55,63,452	18,43,85,661
Less: Revenue recognised from opening balance	9,55,63,452	18,43,85,661
Add: Advance received but not recognised as revenue	13,69,04,064	9,55,63,452
Closing Balance	**23,24,67,516**	**9,55,63,452**

Details of Revenue from Contract with customers:

Particulars	31.03.2020	31.03.2018
Total revenue from contract with customers as above (Net of rebate & loss allowance written off)	2,55,82,18,008	3,30,28,68,811
Add: Rebate	2,55,82,18,008	3,30,28,68,811
Add: loss allowance written off during the year	-	-
Total revenue from contract with customers	**43,53,50,422**	**3,30,28,68,811**

(i) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

(ii) There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

(iii) All contracts entered by the company are Fixed-price contracts.

PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
25. Other Income		
Rental Income	8,90,604	7,42,176
Sales commission	-	11,28,746
Conversion Charges	1,40,87,585	-
Insurance claim received	1,81,489	3,83,212
Net Gain on Foreign Currency Transalation	1,63,70,208	1,42,13,177
Profit on sale of Shares	20,100	12,08,478
Interest Income	30,86,421	33,83,190
Other Income	8,38,937	-
Net Gain on Fair Value of Investments through Profit & Loss	73,98,724	-
Total	**4,28,74,068**	**2,10,58,978**
26. Cost of Materials Consumed		
Opening Stock	35,26,30,216	35,95,53,282
Add: Purchases	2,12,19,25,416	2,37,83,88,547
Less: Closing Stock	9,01,92,017	35,26,30,216
Total	**2,38,43,63,615**	**2,38,53,11,612**
(i) Details of Raw materials consumed		
Scrap	50,06,46,775	41,96,07,454
Billets/Ingots	1,79,05,62,628	1,87,58,81,902
Coal	4,15,80,752	3,48,02,897
Sponge Iron	5,15,73,461	5,50,19,358
Total	**2,38,43,63,615**	**2,38,53,11,612**
(ii) Details of Raw Material Inventory		
Scrap	3,30,35,552	3,95,44,462
Billets/Ingots	5,10,77,771	31,04,13,286
Coal	-	9,42,868
Sponge Iron	60,78,695	17,29,601
Total	**9,01,92,018**	**35,26,30,217**

PARTICULARS	AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
27. Changes in Inventories of Finished Goods & work in progress Closing Stock		
Finished Goods	35,20,77,278	12,71,41,727
Work-in-progress	2,20,03,022	-
Opening Stock		
Finished Goods	12,71,41,727	13,47,63,850
Work in progress	-	-
Total	**(24,69,38,573)**	**76,22,123**
28. EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	2,46,10,530	1,25,05,185
Contribution to Provident & other funds	25,06,087	24,31,925
Staff and labour Welfare Expenses	25,64,939	2,47,769
Total	**2,96,81,556**	**1,51,84,879**
29. FINANCE COSTS		
Interest paid to Banks	1,52,72,950	2,48,08,937
Interest - Others	-	27,613
Total	**1,52,72,950**	**2,48,36,550**
30. OTHER EXPENSES		
a. Material & Manufacturing expenses		
Stores and Spares consumed	8,08,90,127	10,54,45,876
Power and Fuel	13,15,76,672	15,82,44,408
Freight Charges	2,33,72,441	2,46,68,419
Customs Duty	93,06,566	1,03,30,129
Excise Duty	6,61,058	-
Clearing and Forwarding Charges	1,29,84,638	1,87,40,310
Material Handling / Other payments	5,18,65,624	1,77,95,964
b. Repairs & Maintenance		
Machinery Maintenance	78,81,629	1,10,50,527
Repairs to Building	28,40,296	7,86,450
Electrical Maintenance	37,36,640	36,89,958
Vehicle Maintenance	5,47,417	3,61,989



PARTICULARS		AS AT 31.03.2020 (Amount in Rs.)	AS AT 31.03.2019 (Amount in Rs.)
c.	**Administrative Expenses**		
	Advertisement	40,428	40,950
	Bank Charges	95,92,245	1,96,70,293
	Directors' Remuneration	29,25,000	23,75,000
	Donation	1,20,000	21,000
	Insurance	9,96,457	8,99,274
	Listing Fees	4,50,000	3,25,000
	Rebate & Discount	1,23,453	2,17,755
	Sales Tax Expenses	-	67,492
	Membership and subscription	1,18,205	1,48,923
	Payment to Auditors		
	- As Audit Fees	1,77,000	1,18,000
	- As Certification Fees	-	76,110
	- As Tax Audit Fees	-	59,000
	Postage	52,909	89,018
	Printing and Stationery	3,72,219	3,55,285
	Professional & Consultancy	14,12,915	13,67,330
	Rates & Taxes	27,24,501	27,23,818
	Rent & Amenities	1,71,000	1,64,000
	Directors Sitting Fees	59,000	55,000
	Service Tax / GST Paid	1,65,168	-
	Share Transfer Charges	76,281	74,643
	Telephone Charges	4,03,266	4,86,044
	Travelling Expenses-Directors	3,27,548	47,020
	Travelling & Conveyance	10,56,868	5,29,595
	Net Loss on Fair Value of Investments through Profit & Loss	-	16,09,682
d.	**Selling and Distribution Expenses**		
	Carriage Outwards	75,07,248	10,16,192
	Sales Promotion Expenditure	24,438	6,30,661
	Commission Paid	11,37,377	52,33,894
	Total	**35,56,96,634**	**38,95,15,008**

KANISHK STEEL INDUSTRIES LIMITED
Notes to Financial Statements for the year ended 31st March,2020

1. Corporate Information

Kanishk Steel Industries Limited ("the Company"),is a Company incorporated under the provisions of Companies Act,1956, in the year 1989,having its registered office at B27M, SIPCOT Industrial Complex, Gummidipoondi, Thiruvallur District-601201, Tamilnadu engaged in the manufacture and supply of Iron and Steel Products. The Company's shares are listed on the Bombay Stock Exchange Limited and the shares are traded regularly.

2. Statement of Compliance

The financial statement have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act").

The Company has complied with Ind AS issued, notified and made effective till the date of authorisation of the financial statements. Accounting Policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

These financial statements are approved for issue by the Board of Directors on 31stJuly, 2020.

3. Application of New Accounting Pronouncements effective from April 01, 2019:

The Company has applied the following Indian Accounting Standards and its amendments for the first time for the annual reporting period commencing April 01, 2019.

a) Ind AS 116, Leases Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to its leasehold assets under modified retrospective approach with cumulative effect of initial recognition being given effect to on the date of application. Consequently, such assets have been recognised as "Right of Use" and have been amortised over the term of lease. This however does not have any material impact on the Profit/Loss and Earning Per Share for the year.

b) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes' Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes' have also been revised with effect from the said date.

Revision in these standard also do not have any material impact on the financial statements.

Recent Accounting Developments Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.



4. Significant Accounting Policies:

Basis of Preparation and presentation of Financial Statements

The standalone financial statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification. The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. Accordingly, these financial statements are presented in Indian Rupees (?) except otherwise stated.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

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

b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

c) Level 3: inputs for the asset or liability which are not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team headed by Chief Financial Officer who has overall responsibility for overseeing all significant fair value measurements who regularly reviews significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

a. PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes (net of cenvat / GST availed), inward freight and other expenses related to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects, interest and

other costs incurred on / related to borrowings attributable to such projects or fixed assets during construction period and related developmental expenses are capitalized. Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components. The cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The company's lease Land has been separately shown under PPE as Right of Use(ROU) Assets. Capital Work-in-progress includes developmental expenses, equipments to be installed, construction and erection materials etc. Such costs are added to related PPE and are classified to the appropriate categories when completed and ready for intended use.

b. Intangible assets

Patents, trademarks and software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in the statement of profit and loss as and when incurred.

Expenditure on research activities is recognized as an expense in the period in which it is incurred. Costs incurred on individual development projects are recognized as intangible assets from the date when all of the following conditions are met:

a. Completion of the development is technically feasible.

b. It is the intention to complete the intangible asset anduse or sell it

c. Ability to use or sell the intangible asset.

d. It is clear that the intangible asset will generate probable future economic benefits.

e. Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available.

f. It is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer applicable.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.



Subsequent to initial recognition, intangible assets with definite useful lives are reported at cost or deemed cost applied on transition to Ind AS, less accumulated amortization and accumulated impairment losses.

Cost of computer software packages including directly attributable cost, if any, acquired for internal use, is allocated / amortized over a period of 3 years (being estimated useful life thereof) on Straight line method.

c. LEASES

The Company's lease asset classes primarily consist of Lease hold land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii)the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liability when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount(i.e. the higher of the fair value

less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

d. Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided so as to write off, on a straight-line basis, the cost/deemed cost of property, plant and equipment and intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and, when necessary, revised.

Depreciation on assets under construction commences only when the assets are ready for their intended use. The estimated useful lives for main categories of property, plant and equipment and intangible assets are:

Category	Useful life(Years)
Factory Building	30
Plant & Machinery	8 - 20
Electrical installation	10
Furniture and fixtures	10
Vehicles	8
Crane	20
Office equipment	5

Land and building held for use in the production or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Right-of-use assets (ROU) are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Capital work in progress includes machinery to be installed, construction and erection materials and unallocated pre-operative expenditure consisting of costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of replacing part of an item of property, plant and equipment or subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. The costs of



the day-to-day servicing of property, plant and equipment are recognized in the income statement when incurred. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

Assets values up to 5,000 are fully depreciated in the year of acquisition.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

e. Impairment

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-taxdiscount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized or the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

f. DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS

An item of PPE/Intangible Assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

g. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Tangible, Intangible assets and ROU Assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost to disposal and its value in use. In

assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate. Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years that reflects current market assessments of the time value of money and the risk specific to the asset.

h. FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company or otherwise these are classified as noncurrent.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments is determined on initial recognition.

i. Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

ii. Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost. The above Financial Assets and Financial Liabilities subsequent to initial



recognition are measured at amortized cost using Effective Interest Rate (EIR) method. The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability

iii. Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

iv. For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v. Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognized at fair value and changes therein are recognized in the statement of profit and loss.

vi. Derivatives and Hedge Accounting The company enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments is assessed and measured at inception and on an ongoing basis to reduce the risk associated with the exposure being hedged.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/liability, at fair value through profit or loss. Transaction costs attributable to the same are also recognized in statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity remains therein till that time and thereafter to the extent hedge accounting being discontinued is recognised in Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the statement of profit and loss

vii. Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. The company measures the loss allowance for financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

viii. De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset, the difference between the assets's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to statement of profit and loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

i. INVENTORIES

i. Inventories are valued at lower of the cost or net realizable value. Cost of inventories is ascertained on 'weighted average' basis. Materials and her supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.



ii. Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost of finished goods and those under progress represents raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

iii. Cost in respect of work in progress represents cost incurred up to the stage of completion.

iv. By-Products are valued at net realizable value

j. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account except in respect of non-current liabilities existing as on April 1, 2015 (i.e. transition date) related to Property, Plant and Equipment, in which case these are adjusted to the cost of respective PPE. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

k. EQUITY SHARE CAPITAL

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium. Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects

l. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation is not recognised where it is either not probable that an outflow of

resources will be required to settle the same or a reliable estimate of the amount payable in this respect cannot be made.

Contingent Assets are not recognised but disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

m. Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered. Contribution to defined contribution plans such as Provident Fund etc., is being made in accordance with statute and are recognised as and when incurred. Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Other long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

n. Revenue Recognition

The Company manufactures and sells Iron and Steel Products.

Sale of products

Revenue from sale of products is recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products includes related ancillary services, if any.

Revenue from Sale of goods is recognized at the fair value of consideration received or receivable when the significant risk and rewards of goods ownership of goods have been transferred and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, service tax/ Goods and Service Tax and sales tax etc. Any retrospective revision in prices is accounted for in the year of such revision.

o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.



Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognized in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortized over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognized as borrowing costs.

All other borrowing costs are recognized as expenses in the period in which it is incurred.

p. TAXES ON INCOME

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences with respect to carry forward of unused tax credits and any unused tax losses/depreciation to the extent that it is probable that taxable profits will be available against which these can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefits can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

q. Earnings per share

Basic earnings per share is computed by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up.

Diluted earnings per share are computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

r. SEGMENT REPORTING

Operating segments are identified and reported taking into account the different risk and return, organisation structure and the internal reporting provided to the chief-operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Segment manager who allocates resources and assess the operating activities, financial results, forecasts, or plans for the segment.

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the financial statements in conformity with measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation / assumptions at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities and related revenue impact within the next financial year are discussed below:

a) Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 virus - A global pandemic has affected the world economy including India leading to significant decline and volatility in financial markets and decline in economic activities. Consequent to the outbreak of COVID-19, which has been declared as a pandemic by World Health Organizations (WHO), Government of India has declared series of lock downs effective from March 24, 2020 across the country to contain the spread of the virus affecting the businesses throughout the country. The Company's operation have been affected due to loss of more than a month's production due to the suspension of the operation, disruption in supply chain and non-availability of personnel during lock down. Though the production has started in the first week of May 2020, due to absenteeism, consequent to nationwide lockdown, the normal production is still affected. The Company has considered internal and external information while finalizing various estimates and taking assumptions in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors and no material impact on the financial results inter-alia including the carrying value of various current and non-current assets are expected to arise. The extent to which the COVID19 pandemic will impact the Company's business and profitability will depend on the future developments, which are highly uncertain.



RBI announced various regulatory measures (RBI COVID - 19 Regulatory package) to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses. In this regard, the detailed instructions were issued vide RBI Circular No. RBI/2019-20/186 dated 27th March 2020, which inter alia provides for deferment of payment of interest on working capital facilities. Accordingly, the company has opted for such measures for deferment interest on working capital for the month of March 2020.

b) Depreciation/amortization and impairment loss against property, plant and equipment /intangible assets. Property, plant and equipment, ROU Assets and Intangible Assets are depreciated/ amortized on straight-line basis over the estimated useful lives (or lease term if shorter) taking into account the estimated residual value, wherever applicable. The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. The required level of impairment losses to be made is estimated by reference to the estimated value in use or recoverable amount. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives and residual life of the assets regularly in order to determine the amount of depreciation / amortization and also amount of impairment expense to be recorded and/or to be reversed during any reporting period. Subsequent reassessment or review may result in change of estimates in future periods.

c) Arrangement contain leases and classification of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account among other things, the location of the underlying asset and the availability of suitable alternatives. The lease terms and impact thereof are reassessed in each year to ensure that the lease term reflects the current economic circumstances.

d) Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience.

e) Defined Benefit Obligations (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

f) Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management uses in-house and external legal professional to make judgment for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations / against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to taking into account changing facts and circumstances.



31. Earnings Per Share (EPS):

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Net profit/(loss) after taxes as per Statement of Profit and Loss	2,02,68,175	4,27,30,770
Less: Adjustments for the purpose of diluted earnings per share	-	-
Net profit for diluted earnings per share	2,02,68,175	4,27,30,770
Weighted average number of equity shares for basic EPS and diluted EPS (Face value Rs.10/- per share) i) for Basic EPS ii) for Diluted EPS	2,84,36,074	2,84,36,074
Earnings Per Share: Basic and Diluted EPS (in Rs.)	0.71	1.50

32. Tax expenses:

Particulars	31 March 2020	31 March 2019
Current tax	76,91,227	2,93,59,908
Deferred tax	(1,27,12,229)	-
Tax expense recognized during the year	**(50,21,002)**	**2,93,59,908**

a) Reconciliation of Income tax expense for the year with accounting profit is as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

Particulars	31 March 2020	31 March 2019
Accounting profit before taxes	1,68,05,462	72,090,678
Enacted tax rates	25.17%	34.94%
Tax at enacted tax rates	42,29,599	2,51,88,483
MAT rate impact	-	-
Others	19,03,339	41,71,425
Income-taxes related to prior years	15,58,289	-
Current tax	76,91,227	2,93,59,908
MAT credit entitlement	-	-
Income tax recognized in Statement of Profit and Loss	**92,49,516**	**2,93,59,908**

The tax rate used for reconciliations above is 25.17% as applicable for corporate entities on taxable profits under the Indian tax laws.

b) Deferred income tax as at 31st March 2020 and 2019 relates to the following:

Particulars	As at 01 April 2019	Recognised in P&L	As at 31 March 2020
i. Deferred income tax assets:			
Property, plant and equipment	-	-	-
MAT credit entitlement	-	-	-
Deferred income tax assets	**-**	**-**	**-**
ii. Deferred income tax liabilities	**(2,90,86,022)**	**12,71,22,229**	**(1,63,73,793)**
iii. Deferred income tax asset / (liabilities), net	**(2,90,86,022)**	**12,71,22,229**	**(1,63,73,793)**

c) Deferred Taxes: Based on the petition filed by the company on 21-04-2008, the Hon'ble High Court of Madras has allowed the company on 19-08-2008 to utilize the Securities Premium account towards the Deferred Tax Liability computed as per (AS-22/ Ind AS 22) Accordingly an amount of Rs.84,31,617 adjusted against Securities Premium account as per Directives of Hon'ble High Court Madras.

d) INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the Year Ended	
	31st March 2020	31st March 2019
Arising on income and expenses recognized in other comprehensive income: Measurement of defined benefit obligation Bifurcation of the income tax recognized in other comprehensive income into:-	-	-
Items that will not be reclassified to profit or loss Items that may be reclassified to profit or loss	-	-

33. Employee Benefits:

I. Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:



(a) Provident fund and pension

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. Contributions under such schemes are made either to a provident fund set up as an irrevocable trust by the Company to manage the investments and distribute the amounts entitled to employees or to state managed funds.

Benefits provided under plans wherein contributions are made to state managed funds and the Company does not have a future obligation to make good shortfall if any, is treated as a defined contribution plan

(b) Gratuity

Contributions under the scheme for defined benefit plan under the Payment of Gratuity Act, 1972, is determined on the basis of actuarial valuation recognized as year's expenditure. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Other costs recognized in the Statement of Profit or Loss.

II. Defined benefit obligation (DBO):

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose/ Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

III. Defined Contribution Plan:

Contribution to Defined Contribution Plans (Provident Fund) recognized as expense for the year 2019-20.

Disclosures required under Ind AS 19 "Employee Benefits", the disclosures as defined are given below:

Particulars	Gratuity (Unfunded)	
	31.03.2020	31.03.2019
I) Amounts recognized in the Balance Sheet		
Present Value of Funded Obligations		
Fair Value of Plan Assets		
Present Value of Unfunded obligations	41,13,452	41,88,903
Unrecognized Past Service Cost	-	-
- Net Liability	41,13,452	41,88,903
Amounts in the Balance Sheet		
- Liabilities	41,13,452	41,88,903
- Assets	-	-
- Net Liability	41,13,452	41,88,903

Particulars	Gratuity (Unfunded)	
	31.03.2020	31.03.2019
II) Expenses recognized during the year in Income statement		
Current Service Cost	1,76,974	2,73,797
Interest on Obligations	2,97,525	2,21,918
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Losses /(Gains) on curtailments & Settlement	-	-
Expenses recognized in P & L	4,74,499	4,95,715
Expenses recognized during the year in the statement of other comprehensive income:		
Actuarial (Gains) / Losses arising from		
Plan Experience	(4,38,267)	7,64,446
Financial Changes	2,46,586	(49,077)
Demographic Changes	0	97,216
Total	(1,91,681)	8,12,585
III) Change in benefit obligations:		
Balance as at the beginning of the year	41,88,903	29,59,353
Service Cost	1,76,974	2,73,797
Interest Cost	2,97,525	2,21,918
Benefits Paid	(3,58,269)	(78,750)
Actuarial (Gain)/Loss	(1,91,681)	8,12,585
Balance as at the closing of the year	41,13,452	41,88,903
IV) Fair Value of Assets:		
Balance as at the beginning of the year	-	-
Expected Return of Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Contributions	-	-
Benefits Paid	-	-
Balance as at the closing of the year	-	-



Particulars	Gratuity (Unfunded)	
	31.03.2020	31.03.2019
V) Category of Plan Assets		
Government of India Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Funds managed by Insurer	-	-
Bank Balance	-	-
VI) Principal Actuarial Valuation		
Discount Rate	6.36%	7.42%
Expected Rate of Return on Plan Assets	-	-
Annual Increase in Salary Costs	5.50%	6.00%
Attrition Rate	5%-(-1%)	5%-(-1%)
Mortality Rate	IALM(2012-14)Ult	IALM(2012-14)Ult
VII) Table Showing Surplus / (Deficit)	**31-03-2020**	**31-03-2020**
Defined benefit obligation	4,113,452	4,113,452
Plan assets	-	-
Surplus/(deficit)	(4,113,452)	(4,113,452)
VIII) Sensitivity Analysis for the year 2019-20:		
Assumptions:	**Increase**	**Decrease**
Liability increase in discount rate by 1%	-6%	+7%
Liability increase in Salary escalation by 1%	+6%	-6%
Attrition Rate	+0.3%	-0.3%
Mortality Rate	+0.02%	-0.02%

IX) Maturity Analysis in Benefit Payments:

Particulars	Amount
Upto 1 Year	4,28,000
1-5 Years	19,06,000
5-10 Years	37,28,000
10-15 Years	30,77,000
15-20 Years	33,87,000

34. Contingencies Liabilities not provided for:

Particulars	2019 - 20	2018 - 19
a) Guarantees given by banks on behalf of the Company	1,58,99,520	1,58,99,520
b) Bills discounted with banks	-	-
c) Outstanding Letter of Credits	7,83,05,077	12,53,54,940
d) Various demands raised which in the opinion of the management are not tenable and are pending with various forums / authorities		
• Central Excise Law	18,00,000	83,06,945
• TNVAT	2,91,95,901	2,91,95,901
• Income Tax / TDS	4,62,77,174	4,62,39,440

Note: The Company's pending litigations comprises of claim against the company and proceedings pending with Taxation / Statutory / Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed contingent liabilities, where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a material impact on its financial position.

35. Commitments not provided for:

Particulars	As at March 31, 2020	As at March 31, 2019
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	-
b) Derivative Contracts Forward Contract Outstanding in USD	-	-



36. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	31.03.2020	31.03.2019
Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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. This has been relied upon by the auditors

37. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 4(h), to the financial statements.

(a) Financial assets and liabilities

The following tables present the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2020 and March 31, 2019.

Particulars	31.03.2020	31.03.2019
Assets:		
Amortized Cost:		
Trade Receivable	279,996,150	306,278,856
Cash and Cash Equivalents	1,445,452	2,598,437
Bank Balances	33,091,047	43,579,484
Loans	130,145,625	136,094,900

Particulars	31.03.2020	31.03.2019
Security Deposits	35,929,709	24,840,741
Fair Value through Profit and Loss Account		
Investment in Equity Instruments	30,277,747	2,30,47,023
Liabilities		
Amortized Cost		
Loans and Borrowings	170,406,627	186,126,332
Trade Payables	298,395,889	396,993,275
Other Current Financial Liabilities	8,015,420	18,048,161

(b) Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

i. The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The Board considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statement approximate their fair value.

ii. Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such long-term debt approximates fair value subject to adjustments made for transaction cost.

iii. The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. These derivatives are estimated by using the pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and maturity parameters such as foreign exchange rates and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and a non-performance risk associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments.

(c) Fair value hierarchy

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:



Particulars	As of 31st March 2020 (-)	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Assets:				
Investments in Quoted Equity Instruments	44,35,046 (40,63,881)	44,35,046 (40,63,881)	- -	- -
Security Deposits	35,929,709 (24,840,741)			35,929,709 (24,840,741)
Fixed Deposits and Margin Money	33,091,047 (43,579,484)		33,091,047 (43,579,484)	
Liabilities :				
Derivative Instruments	-	-	-	-

Figures in round brackets ( ) indicate figures as on 31st March 2019

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements. There is no transaction / balance under level 3.

The fair value of liquid mutual funds is based on quoted price.

Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The inputs used under level II market valuation technique for forward contracts are Forward foreign currency exchange rates and Interest rates to discount future cash flow.

38. Derivatives assets and liabilities:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material. The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

(a) Category wise outstanding derivatives contracts entered for hedging as on 31st March 2020: Nil

(b) Unhedged Foreign Currency exposures as on March 31, 2020 are as follows: -

Nature	Currency	Amount in Foreign Currency	
		As of 31-03-20	As of 31-03-19
Trade Payables (Including acceptances)	USD	6,10,620	3,13,724

The foreign exchange forward and option contracts mature within twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

Particulars	March 31, 2020	March 31, 2019
Not later than one month	-	-
Later than one month and not later than three months	-	-
Later than three months and not later than one year	-	-

(c) Financial risk management

Financial Risk Factors

The company's activities expose it to a variety of financial risks - Market risk, Credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

i. Market Risk

Market risk is the risk or uncertainty arising from possible market price movements resulting in fluctuation of the fair value of future cash flows of a financial instrument. The major components of Market risks are price risk, interest rate risk and foreign currency exchange risk.

Financial instruments affected by market risk includes borrowings, investments and derivative financial instruments

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowing.

The Company evaluates exchange rate exposure arising from these transactions and enters into foreign currency derivative instruments to mitigate such exposure. The Company follows established risk management policies, including the use of



derivatives like foreign exchange forward / option contracts to hedge forecasted cash flows denominated in foreign currency.

As per the hedging policy of the Company, all foreign currency exposures that are due in the next 12 months are either hedged or based on the technical assessment of foreign currency movement against the INR and the premium charged for the hedging, the same might be left un-hedged so as to avail maximum financial benefit to the company. The carrying amount of the Non-Derivative financial instruments in foreign currency as of the end of the reporting period is Nil (Previous year Nil)

The company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables are as follows:

Sensitivity at year end	2019-20	2018-19
Payable INR	4,60,20,930	9,93,71,154
Weakening of INR by 5%	(23,01,046)	(49,68,558)
Strengthening of INR by 5%	23,01,046	49,68,558

Summary of exchange difference accounted in Statement of Profit and Loss

Fluctuation	2019-20	2018-19
Net (gain)/losses on Currency fluctuation shown as Other Income: Net foreign exchange	1,63,70,208	1,42,13,177

iii. Commodity price risk

The company uses scrap metals which exposes it to be price risk on account of procurement of commodities. The management monitors commodities / raw materials whose prices are volatile and suitable steps are taken accordingly to minimise the risk on the same. The company enter into contract for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

iv. Interest rate risk

Interest rate risk primarily arises from floating rate borrowing with banks and financial institutions. As of March 31, 2020, substantially all of the Company borrowings were subject to floating interest rates, which are reset at short intervals.

v. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).To manage this, the management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company periodically assesses

the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Further the company obtains necessary security including letter of credits and / or bank guarantee to mitigate its credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

The carrying amount of respective financial assets recognized in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk.

The Company is exposed to credit risk from its operating activities (primarily trade receivables). The Company generally deals with parties which have good credit rating / worthiness given by external rating agencies or based on Company's internal assessment as listed below:

	31st March 2020	31st March 2019
Trade Receivables	27,99,96,150	30,62,78,856
Total	27,99,96,150	30,62,78,856

Refer note no38(c) for credit risk and other information in respect of trade receivables.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

vi. Counter-party risk

Counter party risk encompasses settlement risk on derivative and money market contracts and credit risk on demand and time deposits. Settlement and credit risk is reduced by the policy of entering transactions with counter parties that are usually banks or financial institutions with acceptable credit ratings. Exposure to these risks are closely monitored and maintained within predetermined parameters. There are limits on credit exposure to any financial institution. The limits are regularly assessed and determined based upon credit analysis including financial statements and capital adequacy ratio reviews. In addition, net settlement agreements are contracted with significant counter parties.

vii. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company is responsible for



liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The company relies on mix of borrowings, capital infusion and excess operating cash flows to meet its need for funds. The current committed limits are sufficient to meet its short and medium-term requirements. The company ensures that it does not breach any financial covenants stipulated by the lender. In the event of breach of covenants the Company may be liable to pay additional interest. The Company also ensures that it has sufficient cash on demand to meet expected operational expenses. As of March 31, 2020, the cash and cash equivalents are held with major banks.

39. Capital Management:

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would thereby permit the banks/financial institutions to immediately call loans and borrowings. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31stMarch 2020 and 31stMarch 2019.

The Company's audit committee reviews the capital structure of the Company on periodic basis. As part of this review, the committee considers the cost of capital and the risks associated with the same.

The company also monitors capital using gearing ratio which is net debt divided by total capital. The gearing ratios as at 31st March, 2020 and 31st March, 2019 are as follows:

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	17,04,06,627	18,61,26,332
Less: Cash and Cash Equivalents	14,45,452	25,98,437
Net Debt	16,89,61,175	18,35,27,895
Total Capital	53,38,78,133	51,34,18,277
Gearing Ratio	0.32	0.36

The company also manages its capital to meet financial covenants, if any attached to the borrowings. Non-compliances may result in levy of higher rate of interest on Loans charged by the lenders. At present the company has generally been complying with the financial covenants of the borrowings during the reported period.

40. Segment Reporting:

The Company's activities during the year revolve around Steel and Steel Products. Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – ''Operating Segments'', prescribed under Companies (Indian Accounting Standards) Rules,2016

41. Components of other comprehensive income

Particulars	As at March 31, 2020	As at March 31, 2019
Items that will not be reclassified to profit or loss		
Re-measurement of the defined benefit plans	1,91,681	(812,585)
Total other comprehensive Income for the year	**1,91,681**	**(812,585)**

42. Related party disclosure as identified by the management in accordance with the Ind AS 24 on 'Related Party

a) Name of the Related Parties with whom transactions were carried out during the year and description of relationship:

1. Shri. Vishal Keyal, Chairman and Managing Director
2. Shri. Ashok Bohra, Whole Time Director and CFO
3. Smt. Sheril Theodore, Director
4. Shri. Praveen Kumar Agarwal, Director
5. Shri. Rangaswamy Ramesh, Director
6. Shri. Balaji Ravigopal Ramanathan, Company Secretary



b) Enterprise where KMP and/or Close member of the family have significant influence or control

1. OPG Business Centre Private Limited
2. Indian Corporate Business Centre Limited
3. Kanishk Metal Recycling Private Limited
4. OM Power Sakthi India Private Limited

Related Party Transactions:

Description	KMP	Enterprise where KMP and / or Close member of the family have significant influence or control	Outstanding as on 31st March 2020	Outstanding as on 31st March 2019
Sales:				
Indian Corporate Business centre Limited		663,573	1,102,344	166,376
		-		
Purchase of Power:				
		31,231,860	76,414,300	440,740
		(54,714,196)		
Rent Paid: OPG Business Centre Private Limited		120,000		
		(142,000)		
Purchase of Goods:				
Kanishk Metal Recycling Private Limited		131,736,782	131,202	10,791
		(244,004,000)		
Import Handling Service Charges paid:				
Indian Corporate Business centre Limited		3,463,501		
		(7,043,000)	28,750,000	-
Conversion Charges Received:				
Kanishk Metal Recycling Private Limited		16,623,350		
Reimbursement of Expenses:				
Kanishk Metal Recycling Private Limited		25,000		
Remuneration/Commission/Sitting Fees paid:				
Shri. Vishal Keyal	900,000			
	(825,000)			
Shri. Ashok Bohra	1,800,000			
	(1,350,000)			
Smt. Sheril Theodore	17,000			
	-			
Shri. Pravin Kumar Agarwal	21,000			
	-			

Description	KMP	Enterprise where KMP and / or Close member of the family have significant influence or control	Outstanding as on 31st March 2020	Outstanding as on 31st March 2019
Shri. Rangaswamy Ramesh	21,000			
	-			
Shri. Balaji Ravigopal Ramanathan	240,000			
	-			
Security Deposits:				
OM Power Shakthi PVT LTD			120,900,000	100,200,000

Notes:

a) Remuneration to Key Management Personnel is Rs. 27,00,000/-

b) Sitting Fees to Directors is Rs.59,000/-

c) Related Party relationship is as identified by the Company and relied upon by the Auditors.

d) All transactions from related parties are made in ordinary course of business. For the year ended March 31 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year by reviewing the financial position of the related party and the market in which the related party operates.

e) In respect of above parties, there is no provision for doubtful debts as on March 31, 2020 and no amount has been written back or written off during the year in respect of debts due from/ to them.

f) Previous year figures have been re-casted/re-stated wherever necessary.

As per our report attached

For and on behalf of the Board
Kanishk Steel Industries Limited

For PUJA RATHI & ASSOCIATES
Chartered Accountants
FRN 014457S

PUJA RATHI, FCA
Proprietor
M. No. 064246

VISHAL KEYAL
Chairman & Managing Director

ASHOK BOHRA
Whole-time Director & CFO

R. BALAJI RAVIGOPAL
Company Secretary

Place : Chennai
Date : 31.07.2020