TRL KROSAKI

Committed for Sustainable Growth

CLEAR VISION
DEFINED MILESTONE
ROBUST PLANNING FRAMEWORK

61st Annual Report 2019-2020

Awards & Accolades

ICC Occupational Health and Safety Award 2019

ICC Social impact award 2020

Greentech Environment Award 2019

Capexil Top Export Award 2019

Sixty-first Annual Report 2019 - 20

Contents

Board of Directors

(As on 23rd June, 2020)

Mr. H. M. Nerurkar	Chairman
Mr. P. B. Panda	Managing Director
Mr. Sudhansu Pathak	
Mr. Kotaro Kuroda	
Mr. Kiyotaka Oshikawa	
Mr. Toshikazu Takasu	
Mr. Sadayoshi Tateishi	
Ms. Shuang Zhu	
Mr. Takeshi Yoshida	
Mr. Hisatake Okumara	
Mr. P. V. Bhide	Independent Director
Mr. R. Ranganath	Independent Director

Senior Executives

Mr. S. Sengupta	Executive Vice President (Sales, Marketing & Customer Care)
Mr. H. Sehgal	Executive Vice President (Operations)
Mr. M. V. Rao	Sr. Vice President (Finance) & CFO
Mr. Arabinda Debta	G.M. (Legal) & Company Secretary

Registered Office	Belpahar- 768218 Dist: Jharsuguda (Odisha) Phone No.: 06645-258417 Fax: 06645-250254
Principal Bankers	State Bank of India Central Bank of India HDFC Bank Limited Mizuho Bank Limited
Auditors	BSR & Co LLP Chartered Accountants Kolkata
Secretarial Auditors	Ashok Mishra & Associates Company Secretaries Bhubaneswar
Cost Auditors	M/s JUP & Associates Cost Accountants Kolkata

NOTICE

Notice is hereby given that the Sixty-first Annual General Meeting of the members of TRL Krosaki Refractories Limited will be held on Tuesday, 29th September 2020, at 13:00 PM IST through Video Conference (“VC”) / Other Audio-Visual Means ('OAVM”), to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited standalone Financial Statements of the Company for the Financial Year ended 31st March 2020 and the Reports of the Board of Directors and the Auditors thereon; and

Item No. 2 - Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2020 and the Report of the Auditors thereon.

Item No. 3 - Declaration of Dividend

To declare dividend of ₹ 14.50 per equity share of ₹ 10 each for the Financial Year 2019-20.

Item No. 4 - Appointment of a Director

To appoint a director in place of Mr. Toshikazu Takasu (DIN:07119176), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

Item No. 5 - Appointment of a Director

To appoint a director in place of Mr. Sadayoshi Tateishi (DIN:03119411), who retires by rotation in terms of section 152(6) of the Companies Act,2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

Item No. 6 – Re-appointment of Mr. P. B. Panda (DIN: 07048273) as Managing Director

To Consider and if thought fit, to pass with or without modification(s), the following Resolution(s) as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196,197,203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) & the Rules framed thereunder, read with Schedule V of the Act, as amended from time to time, the Company hereby approves the re-appointment of Mr. Priyabrata Panda (DIN: 07048273), Managing Director of the company, for a further period from 04.04.2020 to 03.04.2023, upon the terms of remuneration set out in the explanatory statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said re-appointment in such manner, as may be agreed to between the Directors and Mr. P. B. Panda.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution

Item No. 7 - Appointment of Mr. P. V. Bhide as Independent Director

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolutions:

“**RESOLVED THAT** Mr. P. V. Bhide (DIN: 03304262), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 21st March, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, appointment of Mr. P. V. Bhide (who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing from 21st March, 2020 to 20th March, 2025, be and is hereby approved.”

Item No. 8 - Appointment of Mr. R. Ranganath as Independent Director

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolutions:

“**RESOLVED THAT** Mr. R. Ranganath (DIN: 06725337), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 21st March, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, appointment of Mr. R. Ranganath (who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing from 21st March, 2020 to 20th March, 2025, be and is hereby approved.”

Item No. 9 - Appointment of Ms. Shuang Zhu as Director

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

“**RESOLVED THAT** Ms. Shuang Zhu (DIN: 08745245) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 26th May 2020 and who holds office up to the date of Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013(the Act) and Article 97 of the Articles of Association of the Company and who is eligible for re-appointment and in respect of whom the Nomination and Remuneration Committee of the Board of Directors has recommended her appointment to the office of Director under the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company”.

Item No. 10 - Appointment of Mr. Anirban Dasgupta as Director

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

"RESOLVED THAT Mr. Anirban Dasgupta (DIN: 06832261) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th July 2020 and who holds office up to the date of Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (the Act) and Article 97 of the Articles of Association of the Company and who is eligible for re-appointment and in respect of whom the Nomination and Remuneration Committee of the Board of Directors has recommended her appointment to the office of Director under the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company".

Item No.11 - Ratification of Remuneration of Cost Auditors

To consider and if though fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolutions:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereof, the Company hereby ratifies the remuneration of ₹ 1,25,000.00 plus out-of-pocket expenses incurred in connection with the audit payable to JUP & Associates, Cost Accountants (Firm Registration Number - 000435) who have been appointed by the Board of Directors at its meeting held on 22nd July, 2019 as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the Financial Year ending March 31, 2020.

RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company."

NOTES:

(a) Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ('the Act'), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

(b) As per provisions of Clause 3.B.IV of the General Circular No.20/2020 dated May 5, 2020, the matters of Special Business as appearing at item no 6 to 11 of the accompanying notice are considered to be unavoidable by the Board and hence forming part of this notice.

(c) The Explanatory Statement, pursuant to Section 102(1) of the Companies Act,2013, as amended ('Act') relating to Special Business mentioned through Item Nos. 6 to 11 forms part of this Notice. A brief profile of the Director(s) who are being proposed to be appointed/re-appointed as required pursuant to the Secretarial Standards is annexed hereto.

(d) Pursuant to provisions of this Act, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

(e) Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act,2013 are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

(f) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

(g) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

(h) In case of joint holders attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.

(i) The register of Members and Share Transfer Books will remain closed on 29th September, 2020.

(j) If dividend on equity shares as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on and from October 3, 2020 as under:

- In respect of Equity Shares held in physical form, to all those members whose name appear in the Company's Register of Members as on Tuesday, September 29,2020 after giving effect to valid requests for transmission or transposition lodged with the Company on or before the end of business hours on Monday, September 28, 2020.
- In respect of Equity Shares held in electronic form, to all beneficial owners of shares as at the end of business hours on Monday, September 28, 2020, as per details furnished by the Depositories for this purpose.

Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.

Shareholders are requested to register / update their complete bank details:

(a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and

(b) with the Company by emailing at sambit.mishra@trlkrosaki.com, if shares are held in physical mode, by submitting

(i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details),

(ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf

(k) Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f 1st April,2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to update their Residential Status, PAN, Category as per IT Act with the Company (in case shares held in physical mode) and depositories (in case shares held in demat mode).

(l) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to sambit.mishra@trlkrosaki.com by 11:59 p.m. (1ST) on 28th September 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to sambit.mishra@trlkrosaki.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. (1ST) on 28th September 2020.

(m) During Financial Year 2018-19, the Ministry of Corporate Affairs ('MCA') vide Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014, mandated for every Unlisted Public company that existing shareholders of the Company who holds securities in physical mode and intend to transfer their securities on or after 2nd October 2018 can do so only in dematerialized form. Therefore, shareholders holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risk associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can contact the Company or Depository for assisting in this regard.

(n) TRL Krosaki Refractories Limited has lodged its entire shareholding with NSDL facilitating shareholders to dematerialize their individual holdings. The ISIN No. of TRL Krosaki Refractories Limited is INE 012L01014. Shareholders wishing to dematerialize their shares may contact their Depository Participant through which they are operating Demat Account or contact Company for further details.

(o) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

(p) A detailed know your Shareholder (KYS) form is annexed with the Annual Report. Members are requested to provide updated details as per the form attached and send it to the registered address of the Company or scan and mail the same to sambit.mishra@trlkrosaki.com.

(q) For receiving all communication (including Annual Report) from the Company electronically, members who have not yet registered their email address are requested to register the same with their Depository Participants (DP) in case the shares are held in electronic form or in case the shares are held in physical form may follow the instruction as mentioned in point no (p).

(r) Pursuant to Section 72 of the Companies Act, 2013 read with Rules framed thereunder, shareholders are entitled to make nomination in respect of shares held by them. Shareholders holding shares in physical form and desirous of making nomination(s) are requested to send their nomination(s) in the prescribed Form No. SH-13 duly filled in to the Company at its registered office. Further, shareholders holding shares in electronic form are requested to contact their respective Depository Participant, with whom they are maintaining their demat account, for availing this facility.

(s) During the AGM, members may access copy of the Notice along with statutory registers (specifically Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act), Annual Report and other related documents on the Company's website at https://www.trlkrosaki.com/.

(t) Shareholders desiring any information as regards the Accounts are requested to write to the Company at sambit.mishra@trlkrosaki.com at least seven days before the meeting so as to enable the management to keep the information ready at the meeting.

(u) The helpline number regarding any query/assistance for participation in AGM through VC/OAVM is 06645-258417.

(v) Instructions for attending the AGM through VC/OAVM are as follows:

- Members will be able to attend the AGM through VC/OAVM through MS Teams, which is a two-way video conferencing facility. The link for the meeting will be provided to the members to their registered mail id.
- On clicking on the link, you will be prompted either:
  i. to open the MS Teams app if already downloaded, or
  ii. the link to download the MS Teams app or
  iii. continue to use the web version of MS Teams
- After clicking the appropriate option, you will be redirected to the meeting itself.
- Click on the 'Join Meeting' as shown on the monitor
- Facility of joining the AGM through VC/OAVM shall open 15 minutes before and after the time scheduled for the AGM and will be available for Members on first come first served basis.

(w) To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with the Depository/Company.

By Order of the Board of Directors
sd/-
PRIYABRATA PANDA
Managing Director

Date : 23rd June, 2020
Place : Belpahar

Registered Office :
Po: Belpahar, Dist. Jharsuguda, Odisha, Pin: 768218
CIN: U26921OR1958PLC000349
Website: www.trlkrosaki.com

Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act")

The following Statement set out all material facts relating to Item Nos. 6 to 11 mentioned in the accompanying Notice.

Item Nos. 6

Mr. P. B. Panda (DIN:07048273), was appointed as Managing Director of the Company from 1st January 2015 to 31st December 2017 and he was subsequently reappointed as Managing Director up to 03.04.2020. The Nomination & Remuneration Committee in their meeting held on 19th March 2020, recommended to the Board for his re-appointment as Managing Director of the Company for a further period of 3 years from 04.04.2020 to 03.04.2023 (till 65 years). Accordingly, the Board of Directors of the Company, at their meeting held on March 19, 2020, has re-appointed Mr. P. B. Panda as Managing Director of the Company for the period from 4th April 2020 to 3rd April 2023 with following terms and conditions, subject to the approval of the Shareholders.

The main terms and conditions relating to the re-appointment of Mr. P. B. Panda as the Managing Director are as follows:

(1) **Period:** 4th April, 2020 to 3rd April, 2023.

(2) **Nature of Duties:** Mr. Priyabrata Panda shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and / or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

(3) **Remuneration:**

(i) **Salary :** ₹ 5,50,000/- (Rupees Five Lakh Fifty Thousand only) per month, with authority to the Board which expression shall include a Committee thereof, to fix his salary from time to time within the maximum of ₹ 7,00,000/- (Rupees Seven Lakh only) per month. The annual increments will be merit based and take into account the Company's performance; such increment shall fall due on 1st April of every succeeding year.

(ii) **Performance Bonus / Commission:** Performance linked remuneration not exceeding twice the annual salary as may be determined by the Board.

OR

Such remuneration by way of commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company for each financial year, subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013 and also such limit as may be decided by the Board of Directors of the Company at the end of each such financial year.

These amounts (if any) will be paid after the Annual Financial Statements have been approved by the Board and adopted by the Shareholders.

(iii) **Long Term Incentive Plan:** Deferred cash based incentive scheme as approved by the Board

(iv) **Perquisites and Allowances:**

In addition to the salary and Commission / Performance Linked Remuneration, the Managing Director shall also be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servant's salaries, society charges and property tax, medical reimbursement for self and family, medical/accident insurance, leave travel concession for self and his family, club fees and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board or Committee thereof and the Managing Director, such perquisites and allowances to be restricted to an overall limit of 140% of the annual salary of the Managing Director.

Provided that –

(a) for the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

(b) provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long-distance official calls) shall not be included in the computation of perquisites and allowances for the purpose of calculating the said ceiling; and

(c) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund and Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of the said ceiling.

(v) **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of Mr. Panda, the Company has no profits or inadequate profits, the Company will pay him remuneration by way of salary, performance linked remuneration, perquisites and allowances, Long-Term Incentive as approved by the Board.

4. **Other terms of appointment:**

(a) The Managing Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

(b) The terms and conditions of the re-appointment of the Managing Director and/or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.

(c) The appointment may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board), in lieu of such notice.

(d) The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:

(i) if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

(ii) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement; or

(iii) in the event the Board expresses its loss of confidence in the Managing Director.

(e) In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

(f) Upon the termination by whatever means of Managing Director's employment under the Agreement:

(i) He shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company.

(ii) He shall not, without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.

(g) All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director unless specifically provided otherwise.

(h) If and when the Agreement expires or is terminated for any reason whatsoever, Mr. Panda will cease to be the Managing Director and also cease to be a Director of the Company. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and the Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

(i) The terms and conditions of re-appointment of Managing Director also include clauses pertaining to adherence to the Tata Code of Conduct/Company's Code of Conduct, protection and use of intellectual property, non-competition, non-solicitation post termination of agreement and maintenance of confidentiality.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. P. B. Panda, to whom the resolutions relate, are concerned or interested in the resolutions mentioned at Item No. 6 of the Notice.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the approval of the Members is sought for the re-appointment and terms of remuneration of Mr. P. B. Panda as Managing Director as set out above.

Item No. 7

Mr. Pradeep Vasudeo Bhide, 70, is a retired Indian Administrative Service (IAS) officer of 1973 batch from Andhra Pradesh Cadre. He also holds an MBA degree in Financial Management from IGNOU, a Law graduate from Faculty of Law, Delhi University and B.Sc (Chemistry) from St. Stephens College, Delhi University. Mr. Bhide has a very long administrative career in various positions such as Secretary of Department of Finance, in Andhra Pradesh Govt., Secretary of Dept. of Revenue, Secretary of Dept. of Disinvestment, Govt. of India. He is also serving as Director on the Board of other Companies. He was Chairman of VST Industries Limited and currently the chairperson of APIDC Venture Capital Private Limited and Shiksha Financial Services India Private Limited.

The Board, at its meeting held on 19th March, 2020, appointed Mr. P. V. Bhide as an Additional Director of the Company as also an Independent Director, not liable to retire by rotation, with effect from 21st March, 2020 to 20th March, 2025, subject to the approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 97 of the Company's Article of Association, Mr. P. V. Bhide hold office as director only till the date of the forthcoming Annual General Meeting, but is eligible for re-appointment.

The Company has received from Mr. P. V. Bhide (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 (2) of Act (iii) A declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Mr. P. V. Bhide as an Independent Director of the Company for a period commencing from 21st March, 2020 to 20th March, 2025. Mr. P. V. Bhide is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. P. V. Bhide fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the letter of appointment of Mr. P. V. Bhide as an independent director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

The Board considers that Mr. P. V. Bhide's continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. P. V. Bhide as an Independent Director.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. P. V. Bhide, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No. 7 for the approval of the Members.

Item No. 8

Mr. Ranganath Raghupathy Rao, 61, is a fellow member of the Institute of Chartered Accountants of India. Mr. Ranganath is Ex-VP (Finance) of Tata Steel Limited. He has vast industrial experience in the field of Finance, Strategy, Accounting and Compliance for more than 25 years. He was CIO & Director (Finance) of Cairn India Limited. He is a certified CEO Coach from Coaching Foundation of India. Currently he is advisor to CEO of Air Asia.

The Board, at its meeting held on 19th March, 2020, appointed Mr. R. Ranganath as an Additional Director of the Company as also an Independent Director, not liable to retire by rotation, with effect from 21st March, 2020 to 20th March, 2025, subject to the approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 97 of the Company's Article of Association, Mr. R. Ranganath hold office as director only till the date of the forthcoming Annual General Meeting, but is eligible for re-appointment.

The Company has received from Mr. R. Ranganath (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 (2) of Act (iii) A declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Mr. R. Ranganath as an Independent Director of the Company for a period commencing from 21st March, 2020 to 20th March, 2025. Mr. R. Ranganath is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. R. Ranganath fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the letter of appointment of Mr. R. Ranganath as an independent director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

The Board considers that Mr. R. Ranganath's continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. R. Ranganath as an Independent Director.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. R. Ranganath, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 8 of the Notice.

The Board recommends the resolution set forth in Item No. 8 for the approval of the Members.

Item Nos. 9

On recommendation of the Nomination and Remuneration Committee the Board appointed Ms. Shuang Zhu as Additional Director of the Company with effect from 26th May, 2020. As per section 161(1) of the Act and Article 97 of the Company's Article of Association, Ms. Shuang Zhu hold office as director only till the date of the forthcoming Annual General Meeting, but is eligible for re-appointment. As per section 160 of the Companies Act, 2013, Nomination & Remuneration Committee of the Board of Directors of Company has recommended the appointment of Ms. Shuang Zhu to the office of director liable to retire by rotation.

Ms. Shuang Zhu,40, is a Master of Business Administration from Kyushu International University, Japan, in the year 2006. Ms. Shuang Zhu has around 14 years of experience in Accounting, Financial Management & IFRS.

The Board considers that Ms. Shuang Zhu's continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Shuang Zhu as Director.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Ms. Shuang Zhu, to whom the resolutions relate, are concerned or interested in the resolution mentioned at Item No. 9 of the Notice.

Item Nos. 10

Steel Authority of India Limited (SAIL), has nominated Mr. Anirban Dasgupta vide their letter CA-15(2)/2020 dated July 28, 2020 as Director on the Board of Directors of TRL Krosaki Refractories Limited. Accordingly, the Board considered the nomination of SAIL and appointed Mr. Anirban Dasgupta as additional director of the Company with effect from 28th July, 2020. As per Section 161(1) of the Act and Article 97 of the Company's Article of Association, Mr. Anirban Dasgupta hold office as director only till the date of the forthcoming Annual General Meeting but is eligible for re-appointment. As per section 160 of the Companies Act, 2013, Nomination & Remuneration Committee of the Board of Directors of Company has recommended the appointment of Mr.Anirban Dasgupta to the office of director liable to retire by rotation.

Shri Anirban Dasgupta,55, is a distinguished alumnus of IIT, BHU in Metallurgy. He started his career in Centre for Engineering & Technology (CET) of SAIL in 1986. During his stint in CET, Shri Dasgupta worked in several important areas, which included preparation of feasibility reports and tender specifications of various projects in SAIL, collaborating with M/s. Mckinsey & Company, for restructuring of SAIL, formulation of SAIL's Corporate Plan 2005 & 2012, working as a key member of many corporate initiatives including preparation of blueprint for the revival of IISCO Steel Plant before its amalgamation into SAIL, etc. Subsequently, he worked in Chairman's Secretariat, SAIL from

October, 2010 to August, 2017, where he was instrumental in various successful projects. Thereafter, he was elevated to the post of Chief Executive Officer (CEO) of IISCO Steel Plant (ISP) with additional charge of CEO (Durgapur Steel Plant) and Alloy Steel Plant of SAIL. Under his leadership, ISP progressed towards achieving rated capacities and the Plant's performance witnessed turnaround.

Prior to taking over the charge of Director (Projects & Business Planning), Shri Dasgupta was CEO (Bhilai Steel Plant) from 1st June, 2019 onwards. During his tenure at BSP, the major achievements included growth of 37% in production of prime rails, ramping up of production from various modernization units like Universal Rail Mill, Steel Melting Shop-III, Blast Furnace- 8, Bar & Rod Mill being, among others.

Shri Dasgupta has attended various specialized training programs in India & abroad and won several Awards & Accolades for exemplary performance and achievements.

The Board considers that Mr. Anirban Dasgupta continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Dasgupta as Director. None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Anirban Dasgupta, to whom the resolution relates, are concerned or interested in the resolution mentioned at Item No. 10 of the Notice.

Item No. 11

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of JUP & Associates, Cost Accountants (Firm's Registration Number 000435) appointed as the Cost Auditor for Financial Year 2019-20. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2020.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 11 of the Notice

By Order of the Board of Directors
sd/-
PRIYABRATA PANDA
Managing Director

Date : 23rd June, 2020
Place : Belpahar

Registered Office :
Po: Belpahar, Dist. Jharsuguda, Odisha, Pin: 768218
CIN: U26921OR1958PLC000349
Website: www.trlkrosaki.com

Annexure to the Notice

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

Name of Director	**Mr. Toshikazu Takasu (DIN: 07119176)**	**Mr. Sadayoshi Tateishi (DIN: 03119411)**
Date of Birth	07.02.1959	14.10.1958
Date of Appointment	21.03.2015	21.03.2015
Expertise in specific Functional Areas	Manufacturing	Overseas Business Development and Business Planning
Qualifications	B.E	B.Ec
Directorship held in other public companies (excluding Foreign Companies)	—	—
Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committees and Stakeholder Relationship Committee)	—	—
Shareholding in the Company	—	—

Highlights

(₹ Crores)

	2019-20	2018-19	2017-18	2016-17	2015-16
Turnover	1653.76	1594.29	1194.90	1090.66	1064.66
Profit Before Interest,Depreciation & Taxes	174.76	177.54	106.79	101.76	67.46
Depreciation	26.83	31.86	20.51	18.17	18.65
Profit before Taxes	131.38	129.96	72.46	63.15	21.49
Profit After Taxes	100.69	84.72	47.03	45.79	13.31
Shareholders' Funds	485.94	418.33	353.00	322.99	284.48
Borrowings	233.16	219.01	162.63	215.38	230.54
Dividends	30.31	30.74	16.63	15.85	5.03
Shareholders' Funds - per Share(Rs.)	233	200	169	155	136
Dividend - (%)	145	122	66	63	20
Employees - (Numbers)	1458	1435	1332	1291	1294

DIRECTORS' REPORT

To
The Members,

The Board of Directors hereby presents the 61st Annual Report along with the Audited Statement of Account for the year ended 31st March 2020.

Financial Results

(₹ Crores)

	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Gross Revenue	1653.76	1594.29	1653.76	1594.29
Less Total Expenses	1479.00	1416.75	1479.00	1416.75
Profit before finance cost, depreciation, Taxes and other comprehensive income	174.76	177.54	174.76	177.54
Less Finance Cost	16.55	15.72	16.55	15.72
Less Depreciation	26.83	31.86	26.83	31.86
Add share of profit of Associates	—	—	4.18	3.47
Profit before taxes	131.38	129.96	135.56	133.43
Less provision for Current taxation	33.62	46.79	33.62	46.79
Less provision for Deferred taxation	(2.93)	(1.55)	(3.43)	(0.95)
Profit after Taxes	100.69	84.72	105.37	87.59
Other comprehensive income	(2.03)	(2.97)	(2.03)	(2.97)
Total comprehensive income	98.66	81.75	103.34	84.62
Add Balance brought forward from earlier year	178.20	113.08	188.72	120.73
Balance:	276.86	194.83	292.06	205.35
Less				
(i) Dividend Paid for the previous year	25.50	13.79	25.50	13.79
(ii) Tax on Dividend	5.24	2.84	5.24	2.84
Total	30.74	16.63	30.74	16.63
Balance carried forward	246.12	178.20	261.32	188.72

Dividend

Your Directors are pleased to recommend a dividend of ₹ 14.50 per share, i.e. 145 % for the year ended 31st March, 2020, for approval by the shareholders at the forthcoming Annual General Meeting.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account.

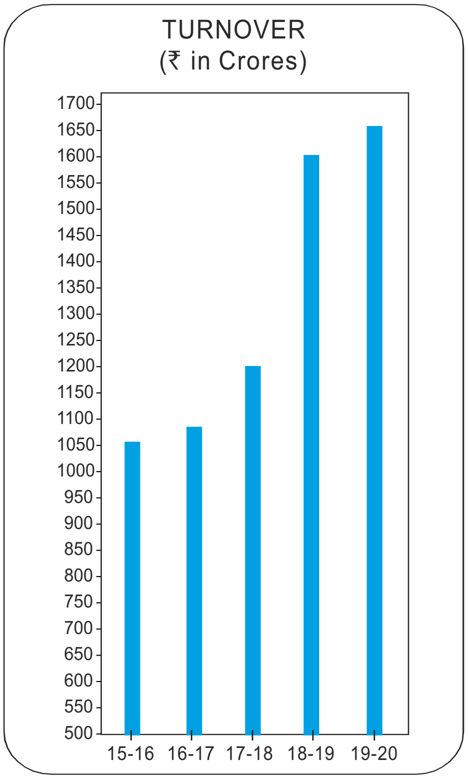
Economic Environment

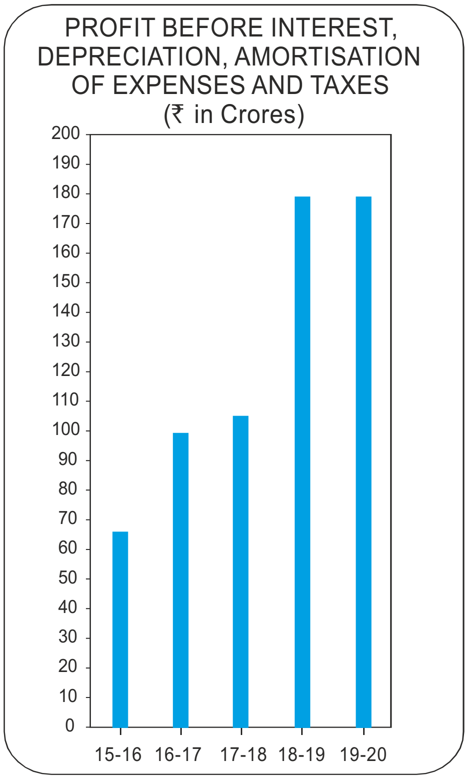
The global economy is expected to shrink sharply in 2020 due to the coronavirus pandemic, a reversal from the previous growth forecast, as predicted by the International Monetary Fund (IMF). The IMF has also warned that it may contract even further if restrictions on the economic activities are extended in the second half of 2020 and containment measures of pandemic could not give expected results. The COVID-19 pandemic has radically changed the prospects of the global economy for the short-, the medium- and potentially for the long-term. The shock to the global economy from COVID-19 has been both faster and more severe than the 2008 global financial crisis (GFC) and even the Great Depression. In the short-term, as governments throughout the world introduce stringent measures limiting physical mobility and social activity to slow the spread of the virus and avert a health crisis, economic activity is seriously contracted.

As per IMF report, financial conditions in advanced as well as emerging market economies are significantly tighter than pre-virus period. The rapidly worsening risk sentiments has prompted a series of central bank rate cuts and liquidity support actions. These financial conditions for advanced and emerging market economies are expected to remain in place for the first half of 2020 consistent with the path of pandemic and are expected to ease in the second half of 2020.

As a result of the pandemic, the IMF in its report in April 20, projected the global economy to contract sharply by – 3% in 2020. The growth forecast is marked down by more than 6 percentage points compared to its October 2019 forecast which is an extraordinary revision over a short period of time. Advanced economies are experiencing widespread outbreak of COVID-19 and are deploying containment measures. It is expected that the growth in advanced economies will contract by - 6.1% in 2020. Most advanced economies expected to contract in 2020 including United States - 5.9%; Japan - 5.2%; United Kingdom - 6.5%; Germany - 7%; France - 7.2%; Italy - 9.1% and Spain - 8%. Nations that heavily depend on tourism and shipping as a percentage of GDP will get affected maximum in the year 2020.

The growth forecast of Emerging Market and Developing Economies (EMDE) is expected to contract by - 1.0% in 2020; excluding China which is 5.8 percentage points down compared to projection made by IMF in January 20. The growth rate of entire EMDE group is expected to be - 2.2%. Emerging Asia is projected to be the only region with a positive growth rate of 1.0% in 2020. Several countries in this region are expected to grow at modest rates including China 1.2%; India 1.9% and Indonesia 0.5%.





Economic Outlook

As per International Monetary Fund (IMF) Global growth is expected to rebound to 5.8% in 2021 reflecting the normalization of economic activity from very low levels. The advanced economies are expected to grow by 4.5% and EMDE is expected to grow by 6.6% assuming critically on the pandemic fading in the second half of 2020. Growth would be lower if more stringent containment measures are necessitated by a wider spread of virus. However, the level of GDP at the end of 2021 in both advanced and EMDE economies is expected to remain below the pre-virus period of January 2020.

Although IMF has slashed India's growth projection to 1.9%, the good news for India continues to be one of the fastest growing nations with its projected positive growth of 1.9 percent. The projections for 2020 and 2021 are optimistic for India. However, the recovery forecast depends critically on the pandemic being brought under control. It is expected that in 2020, the Consumer Price Index of India will decrease by 120 percent compared to 2019 owning to reduced spending power of Indians. The Government of India has announced a series of financial packages to offset the lockdown losses temporarily. The best thing for the Indian economy to ease the liquidity is reduction of lending rates. After positive projection by IMF, one can trust that more Foreign Institutional Investors continue putting money in India.

Performance

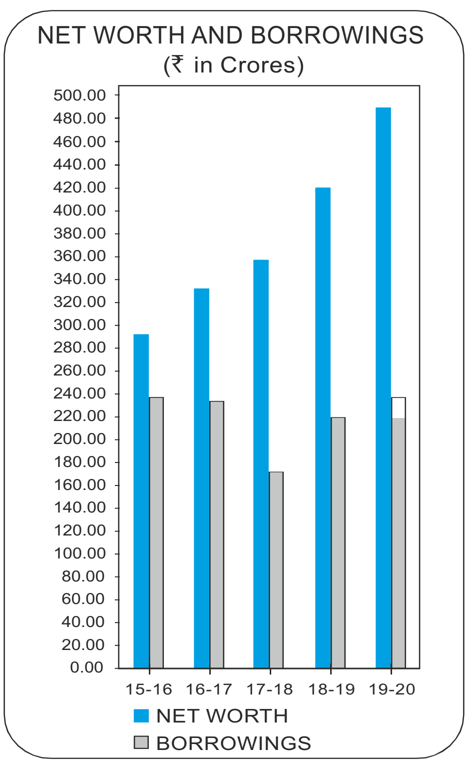
The excellence in overall business performance of the Company continued during 2019-20. The Company witnessed new records in the year 2019-20, breaking its own best performance of 2018-19 in terms of achieving highest ever revenues, profit before and after taxes. On standalone basis the revenue of the company increased to ₹ 1653 crores against ₹ 1594 Crores of previous year; an increase of 4%. The export revenue of the company increased to ₹ 327 Crores from ₹ 291 Crores in the previous year; an increase of 12 %.

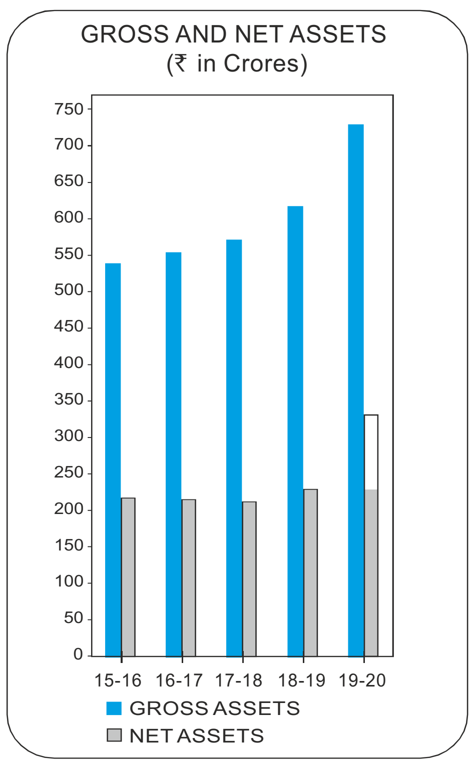
The standalone gross production during the year was 2,29,053 MT against 2,47,739 MT of previous year; a decrease of 8% and sales volume was 2,75,599 MT against 2,83,660 MT of previous year; a decrease of 3%.

Despite slowdown in the marketplace and nationwide lockdown of the country in the month of March 2020 to contain spread of COVID-19, Profit before tax for the year was ₹ 131.38 Crores against ₹ 129.95 crores of the previous year; an increase of 1 % and total comprehensive income for the year was ₹ 98.36 Crores against ₹ 81.96 Crores in the previous year; an increase of 20%.

Improved operational efficiencies, enhanced product performance with comprehensive technical support at customer sites and better product mix largely contributed to the improved performance of the company despite lower selling price in the marketplace.

The restrictions imposed by the Central and State Governments followed by the announcement of lockdown during the month of March 2020 to contain spread of COVID-19 severely restricted the movement of people and materials within and across the countries. The Company responded to this extraordinary challenge by immediately obtaining permission to operate the plant without any stoppage, meticulous planning and arrangement of man and material resources, implementing health & safety measures for all its workforce and addressing the immediate requirements of its key customers. However, the supply and demand restrictions





affected the sales by around ₹ 31 Crores. The execution of capital projects, which were already started also got stuck mid-way due to the lockdown restrictions; thus delaying the scheduled completion time.

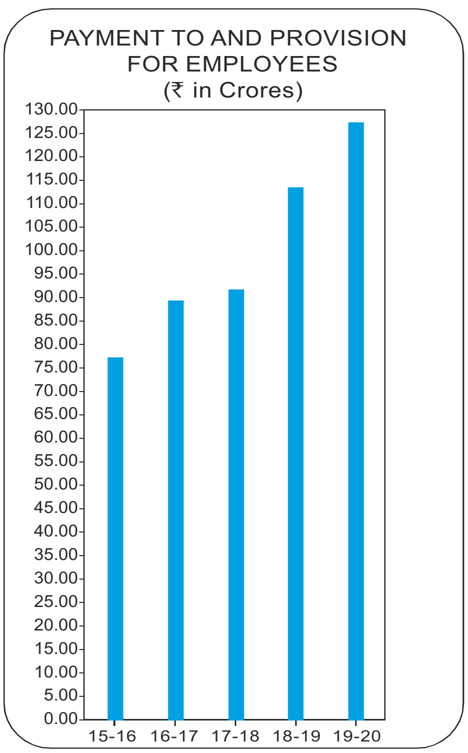
Credit Ratings

ICRA has upgraded credit rating of the Company and assigned [ICRA] AA (pronounced ICRA Double A) rating to Fund Based Working Capital Facilities and A1+ (pronounced A one plus) rating, to non-fund based Working Capital Limit and Short Term Fund Based Working Capital Limit of the Company.

Business Strategy

As per various projections, India is expected to be one of the few countries with good demand of steel in the medium term. In line with the increase in demand of steel, refractories demand is also expected to grow. The Company's multi-pronged growth strategy driven by capital investment in critical areas to increase plant capacities and add new product lines will help to achieve Company's long-term objective of increasing market share. The new product line of Alumina Graphite (AG) refractories manufacturing facility with technology from Krosaki Harima Corporation, Japan is expected to be commissioned during 2021. In general, Alumina Graphite manufacturing is a high end technology and most precision process; therefore a handful of other refractories manufacturers produce these products. On successful commissioning of this plant, the Company can compete in this niche segment of refractories supplies to the steel plants.

The refractories market is highly fragmented and broadly divided between big multinational players and small domestic manufacturers. The market is also segmented by product type, end user industry type, based on geography etc. Therefore, the



challenges to compete are many folds. The Company, being in the forefront, recognizes this and has addressed these challenges through multi prong strategic initiatives, such as, driving and growing business with focused customers, continuously improving performance of its focused products, making comprehensive offering with high quality products and technologically superior technical services to the customers etc. The revenue from focused products has increased by 10%. The new technology initiative taken by the Company to supply Dolomite brick in Stainless Steel AOD has given record performance and has been largely appreciated by its customers. The Company could maintain its share of business of 70% in Dolomite in India and has increased its footprint in overseas market. The Company has emerged as one of the top service providers in Trough management and the revenue from Trough management contracts has increased by 57%. Tap Hole Clay remains one of the focused products of the Company and the revenue from Tap Hole Clay product has increased by 16%. High Alumina Spinel (SLM) bricks for application in Steel Ladles has become one of the focused products of the company and the revenue from SLM bricks has increased by 49%. Revenue from another focused product, Direct Bonded Magnesite Chrome (DBMC) has increased by 5%. The performance of DBMC bricks has been well appreciated by international customers.

To address the needs of export market, the buying behavior of which is distinctly different from the domestic customers, specific geography wise strategic approaches were adopted including enhancing the extent of reach to different customer clusters. Company's products supplied to European market are well accepted by customers and the revenue from European market has doubled. Company's silica bricks for coke-oven equipment have performed well and the Company is receiving repeat orders from its customers. South American market continues to be a focused market of the Company for supply to Copper industries and is witnessing a steady increase in customer base.

Associates

TRL Krosaki Asia Pte. Ltd. Singapore and Almora Magnesite Limited are two Associates of the Company. In accordance with Section 129(3) of the Companies Act, 2013, consolidated financial statements of the Company with all its associates have been prepared, which form part of the Annual Report. Further, the Report on the performance and financial position of each of the associate and salient features of the financial statement in the prescribed Form AOC-1 is given in notes to consolidated financial statements.

Management Discussion and Analysis

Management Discussion and Analysis given separately forms part of this Report "Annexure – F"

Safety, Health & Environment Management

Improving "Quality of Life" continues to be the long-term priority for the Company. The ultimate goal of the Company is to grow the business while improving its safety, health and environmental performance in order to create a more sustainable future. In order to achieve this, the Company continues to focus on measures to eliminate / minimize safety hazards, to promote preventive health care, to minimize pollution and to conserve energy in all areas of its operations.

Focus is given consistently to improve operational efficiencies, minimize consumption of natural resources and reduce water, energy and carbon emissions while maximizing production volumes.

The Company had initiated measures to prevent spread of Covid 19 well before the nationwide lockdown enforced by stopping its international & domestic travels. During the period of lockdown, the focus was mainly laid on the health and wellbeing of its workforce, their family members and the community. Towards this, the Company geared up its Hospital with creation of dedicated flue clinic, isolation wards etc. and developing and following a stringent quarantine protocol for all. At the workplace, starting from thermal screening, arrangements were made for work from home schedule, social distancing, personal sanitization, wearing of mask etc. The initiatives were religiously monitored by a dedicated Covid 19 monitoring team comprising of Senior Officers. On the community front, regular sanitization of different areas, mass distribution of face mask, soaps, awareness leaflets were done.

Safety & Health Management

The Company seeks to promote the safety & health of its employees and maintain their ability to perform over the long term, for which a safe workplace is paramount. In order to make this happen, the Company embarked on a "Safety Excellence Journey" with an objective to step up the safety culture across the organization. In fact, workplace safety & health management has now become a greater part of the corporate culture and leadership.

The overall responsibility of driving the Safety, Health & Environment Management Systems across the organization rests with the Safety & Environment Management Department, which has a dedicated team of qualified, competent and experienced professionals. The Team is responsible for designing best-in-class safety management systems, facilitate implementation of the same across the organization, develop trainers and impart training to all employees, closely monitor safety incidences and performance and ensure improved safety & health performance. The Team is not only responsible for the plant operations, but also oversees safety management of our workforce working at different customer sites. The "Apex Safety Council" headed by the Managing Director serves as the guide and mentor for the Department.

As part of the "Safety Excellence Journey", many focused initiatives were taken during the year in the areas of safety & health. The key initiatives include; development and implementation of additional "Safety Standards", focused programmes on promoting "Behavioral Based Safety", extending the "Health Score Card" to all levels of officers, strengthening the "Contractor Safety Management System", introducing training programmes based on real time incident analysis etc.. Employee involvement and motivation has been achieved through defining ownership at all levels of employees, driving a robust reward & recognition scheme and strictly complying with the approved Consequent Management Guidelines.

The "Safety Excellence Journey" helped the Company maintain a "zero" accident record for past five consecutive years till an accident was reported in March 2020.

The Company's safety initiatives and performances have been duly recognized at National & State levels over the years. During the year, the company won the prestigious Shrestha Surakshya Puraskar from National Safety Council of India [NSCI], Kalinga Safety Award [Gold], SHE Excellence Award [Winner] from CII Eastern Zone & ICC National Occupational Health & Safety Award (Silver Trophy). The Safety Management initiatives by the company at different Customer Sites have also earned a number of laurels / recognitions from the respective Customers.

The focus on "Preventive Health Care" continues to be pursued across the Company. The key initiatives in this area include; enhanced rigor in employee health monitoring, screening of new employees based on their prevailing health conditions, tracking "Health Score Card" for officers, eliminating / minimizing occupational health hazards through engineering and technological interventions, a well-defined job rotation policy to prevent long term exposure to air pollution by the employees etc.. These initiatives have helped the Company achieve "Zero" case of Silicosis, a notified occupational disease for more than past four years consecutively.

Environment Management

The Company is committed to work towards ensuring sustainable growth of its business. Hand in hand with the excellence in operating performance, the Company, being a responsible corporate citizen, also strives to excel, when it comes to protecting the environment.

Commitment to protecting the environment starts with actively maintaining the overall Environment Management System and is demonstrated by a wide range of actions, including continuously reducing the level of air pollution by improving performance of all Dust Extraction Systems, ensuring "zero" discharge of waste water outside the plant premises, effective treatment of liquid effluent to meet all the applicable norms etc.. The effectiveness of the initiatives is measured by way of comparing trends of various emissions / discharges, specific energy consumption and monitoring carbon footprint.

The Company has made great strides in this area and will continue to dedicate its efforts towards even more progress. During the year, two Pulse jet type Bag Filters with a total capacity of 30,000 M3/Hr, five portable Bag Filters of total capacity of 15,000 M3/Hr, one mechanical vacuum road weeping machine etc. were added to further improve the overall environmental performance. The Company conforms to all statutory requirements related to Environment Management. Developing and maintaining a Green Belt in and around the plant has been a priority agenda for the Company and today, the greenbelt coverage stands at 35% of the total land area, which is more than the statutory norm.

The Company's endeavor towards protecting the environment has been recognized at State & National Levels at different times. During the year, the company received the Greentech Gold Award for Environment Management & SHE Excellence Award [Winner] from CII Eastern Zone.

Corporate Social Responsibility (CSR) Initiatives

For TRL Krosaki, society has been in integral part of its sustainable business model for more than five decades now. For society, TRL Krosaki is not just a business entity. This inseparable and genuine relationship is built over the years based on mutual trust and fellowship. TRL Krosaki has played the role of a catalyst to help improve "Quality of life" of the people around it, even expanding it to distant rural areas, all for a cause.

Over the years the Company has moved from providing "Social Service" approach to creating a "Social Impact" model. Accordingly, it has selected the areas to focus for its CSR interventions. Key thrust areas include Education, Health & Sanitation, Sustainable Livelihood, Infrastructure Development etc..

During the year, the Company spent around Rs. 175 Lakhs towards its CSR initiatives. Key initiatives undertaken during the year include;

Education

i) Merit cum means scholarship was granted to meritorious but poor students to help them pursue quality education in English and Odia Medium schools from Class I to Class X.

ii) Under the "Ekalavya" scheme, poor but bright SC/ST students from rural schools, were identified and admitted in one of the best Odia Medium School in the locality, having residential facility. These students are provided free lodging, boarding and study materials from class VI to class X.

iii) Supported different rural schools by creating / providing required infrastructures, such as, Toilet Blocks, Boundary wall with gate, drinking water facilities with water purifier, desks and benches etc..

Health & Sanitation

i) With an objective to promote "healthy children build healthy society", the Company runs a programme named "Balyashree". Under this programme, around 900 school children had undergone periodic medical check-up and actions initiated as per findings. Around 113 mothers were rewarded for healthy babies born and around 400 school children participated in the "Balyashree Olympiad" organized.

ii) Long required need of having proper public toilets in the locality were met by constructing two such toilet blocks with proper facilities. The same is being used regularly by the local residents.

Sustainable Livelihood

i) Aimed at mainstreaming the unemployed rural youth by way of helping them to get gainfully engaged, Rural Self Employment Training Institute (RSETI), the flagship training institute established by the Company, plays a very important role.

ii) During the year, 885 numbers of trainees passed out from the institute. The overall rate on gainful engagement so far is around 83%.

Infrastructure Development

Based on the requests received and subsequent need survey done in the community, various infrastructure, such as, community hall, public dining facility, proper cremation facility, bust stops etc. were constructed for the benefit of local people.

The Company has in place a CSR policy which provides guidelines to conduct CSR activities of the Company. The CSR policy is available on the website of the Company https://www.trlkrosaki.com/about-us/policies.aspx.

Annual Report on CSR activities of the Company in compliance with the Section 135 of the Companies Act,2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as "Annexure -A".

Industrial Relations

The year 2019-20 remained very peaceful and cordial with respect to industrial relations for all the units and branches. A policy of transparent and regular communication coupled with open door policy has served well in maintaining a harmonious industrial relation in the company.

The Joint Department Council (JDC) at shop floor has continued to serve well towards empowerment and participative management. The members of the recognized union have supported well towards the shop floor discipline with regular counselling. The workmen this year participated in great place to work survey and our organization was certified as a "Great Place" to Work with a very good score on the aspect of management creditability and pride.

A unique and successful program "Utthan" helped in building internal capability for workmen requirement. In this scheme, internally identified, high performing, ITI qualified contract labors went through rigorous six months training including on the job training. Post deployment, the feedback on the performance and behavior of these workmen from departments is very positive and encouraging reflecting issues of the programme.

These have served well towards building internal capability, engagement, shop floor discipline and productivity besides fostering a harmonious and healthy industrial relation.

Corporate Governance

Corporate Governance practices followed by the company are given in separate section which forms integral part of this Report **"Annexure – G"**.

Extract of Annual Return

Extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure - B"**.

Vigil Mechanism

The Company is committed to conduct all aspects of its business affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this, the Company follows a set of "Code of Conduct" and a well-articulated "Whistle Blower Policy", which lay down the principles and standards that should govern the actions of the Company, its stakeholders and its employees. Any actual or potential violation is considered to be a matter of serious concern by the Company.

The Whistle Blower Policy for Directors and Employees is an extension of the Code of Conduct that requires every Director or employee to promptly report to the management any actual or possible violation of the Code or any event wherein he or she becomes aware of that, which could affect the business or reputation of the Company. The Whistle Blower Policy for vendors provides protection to vendors from any victimization or unfair trade practice by the Company.

The disclosures reported are addressed in the manner and within the time frames prescribed in the Whistle Blower Policy. Under the Policy, every Director, employee or vendor of the

Company has an assured access to the Ethics Counsellor/ Chairman of Audit Committee.

During the year, the Company undertook communication and training programmes for internal and external stakeholders, with the aim to create widespread awareness of Whistle Blower Policy. The Company received 8 whistle-blower complaints during the year and all these complaints were investigated and appropriate action were taken.

Internal Control System

The Board of Directors is responsible for ensuring that Internal Financial Controls (IFC) have been laid down in the Company and that such controls are adequate and are operating effectively. The foundation of IFC lies in the code of conduct, policies and procedures adopted by the management, corporate strategies, annual business planning process, management review and the risk management framework.

The Company has designed its Internal Control framework commensurate with the size, scale and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance with the corporate policies. The controls were tested based on the prevailing conditions and processes during the year and no reportable material weakness in the design or effectiveness was observed. The framework on internal financial controls over financial reporting has been reviewed by internal and external auditors.

The Company uses various proven and trustworthy IT platforms to keep the internal control framework robust and information management policy governs these IT platforms. The systems, standard operating procedures and controls are implemented by the executive leadership team and reviewed by internal audit team, whose finding and recommendation are placed before the Audit Committee.

The scope and authority of Internal Auditors is defined in Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of Audit Committee. Internal Auditors develop an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company. Based on the Report of the Internal Auditors, process owners undertake necessary preventive and corrective actions in their respective areas which help in strengthening the controls further. Significant audit observations and corrective controls thereon are presented to the Audit Committee.

Th Audit Committee reviews the reports submitted by the Internal Auditors in its meeting. Besides, the Audit Committee conducts at frequent intervals, an independent session with the external auditors and the management to discuss the adequacy and effectiveness of internal control system.

Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial Auditors and external agencies, including Audit of internal financial controls over financial reporting by the Statutory Auditors and the review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirms:

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

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

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

(e) that proper system to ensure compliance with the provisions of all applicable laws were in place and such systems are adequate and operating effectively;

(f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

Related Party Transactions

There have been no materially significant related party transactions between the Company and Directors, Key-Managerial Personnel, holding and subsidiary company or the relatives.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contracts or arrangements in Form AOC-2 does not form part of the Report.

Remuneration Policy

The Board on recommendation of the Nomination and Remuneration Committee has framed a Policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Meetings

The details of the Board Meetings and Meeting of Committee of Directors are given in the Corporate Governance Report.

Auditors

(a) Statutory Auditors

M/s BSR & Co. LLP, chartered accountants, was appointed as Auditors of the Company at the 58th AGM held on 28th June 2017, for a period of five years, to hold office till the conclusion of 63rd AGM to be held in 2022.

M/s BSR & Co. LLP has audited the books of accounts of the Company for the Financial Year ended March 31, 2020 and have issued the Auditors' Report thereon. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report.

(b) Secretarial Auditors

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company appointed Ashok Mishra & Associates, Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the FY 2019-20. The Secretarial Audit Report is annexed herewith as "Annexure - C". There are no qualification/ observations in the said Report.

(c) Cost Auditors

As per Section 148 of the Companies Act, 2013 ('Act'), the Company is required to have the Audit of its cost records conducted by a Cost Accountant in practice with respect to some products. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment of M/s JUP Associates as the cost Auditors of the Company for the year ending March 31, 2020.

In accordance with the provisions of the Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. The Board seeks your support in approving the proposed remuneration of ₹ 1.25 Lakhs plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for the Financial Year ending March 31, 2020.

The due date for filing of Cost Audit Report of the Company for the Financial year ended March 31, 2019 was September 30, 2019 and the same was filed in XBRL mode on 14th August, 2019.

Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees or Investments in accordance with Section 186 of the Companies Act, 2013 are given below:

Outstanding as at 31st March 2020

Particulars	Amount (₹ Crores)
Loan given	Nil
Guarantee given	Nil
Investment made (Refer Note 2 to Standalone account)	15.47

No investment has been made during the year.

Risk Management

The Company has developed and implemented a risk management policy with an objective to develop a risk intelligent culture that supports decision making and to help improving performance for a long-term business sustainability.

Although the Company is not mandatorily required to constitute risk management committee, the Company as a mark of good corporate governance initiative, has proactively constituted a risk management committee consisting of Managing Director and Senior Executives of the Company.

The Company's risk management process focuses on identifying and analyzing the risk associated with the business and operating environment of the Company on time and address the same suitably to eliminate or mitigate the risk.

To strengthen the process of identifying and mitigating both external and internal risks, the Company has engaged an external consultant. The consultant has developed a robust 5 step Enterprise Risk Management (ERM) process to address the risks associated with the business. Further, this 5-step risk management process aims at developing a "Risk intelligent culture" within the Company to encourage risk informed business decision-making as well as resilience to adverse environment and to create awareness of opportunities in order to enhance the long-term stake holder value.

The year 2019-20 has seen further maturity of the risk management system with additional focus on ensuring the effectiveness of mitigation to manage key business area risks in addition to regular testing of key financial controls. Cohesion between all risk and control functions (Risk, Financial Control, Compliance, IT Security and Health & Safety) continues to be a priority to support an integrated assurance process. This process has been well accepted by the Board and has been implemented in the Company.

Board Evaluation

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of Corporate Governance practices, participation in the long-term strategic planning and the fulfilment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Chairman of the Board had discussion with the Independent Directors and the Executive and Non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/ Committee processes. The Board considered and discussed the inputs received from the Directors. Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors.

Independent Directors Declaration

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

Directors

(a) Retire by rotation

- In terms of the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Toshikazu Takasu (DIN:07119176) and

Mr. Sadayoshi Tateishi (DIN:03119411) are retiring by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

The necessary resolutions for re-appointment of Mr. Toshikazu Takasu and Mr. Sadayoshi Tateishi form part of the Notice convening the AGM to be held on 29th September, 2020.

The profile and particulars of experience, attributes and skills of the above Directors is disclosed in the annexure to the Notice convening the AGM.

(b) Cessation

- Mr. H. P. Singh stepped down as member of the Board effective 11th April, 2019. The Board of Directors would like to record their appreciation for the services rendered by Mr. Singh during his tenure as Director of the Company.
- Mr. A. K. Rath retired in the last AGM held on 25th September, 2019. The Board of Directors would like to record their appreciation for the services rendered by Mr. Rath during his tenure as Director of the Company.
- Upon completion of the tenure, Mr. Sudhir Krishnaji Joshi and Sunanda Lahiri, Independent Directors retired from the Board on 20th March,2020. The Board of Directors would like to record their appreciation for the services rendered by Mr. Sudhir Krishnaji Joshi and Sunanda Lahiri during their tenure as Independent Directors of the Company.

(c) Inductions to the Board

- On recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 19th March, 2020, appointed Mr. P. V. Bhide and Mr. R. Ranganath as Indepenent Directors of the Company for a period of 5 years effective 21st March, 2020. Both the Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act,2013.

Key Managerial Personnel

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. P. B. Panda, Managing Director, Mr. M. V. Rao, Sr. Vice President (Finance) & CFO and Mr. Arabinda Debta, General Manager (Legal) & Company Secretary.

Employees

The information required under section 197(12) of the companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the “Annexure - D” forming part of this Report.

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **“Annexure - E”.**

Significant and Material Orders Passed by the Regulators or Courts

There have been no significant material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted an Internal Complaint Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year, the Company has received no complaint for sexual harassment.

Deposits

During the year under review, the Company has not accepted any deposits under the Companies Act, 2013.

On behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)

Mumbai
23rd June, 2020

Annexure A

Annual Report on Corporate Social Responsibility Activities

(Pursuant to Section 135 of the Companies Act, 2013)

1. **A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

As an integral part of our commitment to good corporate citizenship, TRL Krosaki believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations.

Every CSR initiative that is chosen to be supported and implemented lies within one of the broad areas of Education, Health & Sanitation, Sustainable Livelihood and Infrastructure Development. Besides, the company strives to promote local sports & games, ethnicity and environment protection.

Our CSR initiatives are guided by our CSR policy adopted by the Board of Directors on July 25, 2014. The CSR Policy is posted on the company's website http://www.trlkrosaki.com/aboutUs/policies.aspx.

2. **Composition of the CSR Committee of the Board.**

Name	Category
Mr. S. Pathak-Chairman	Non-Executive Director
Mr. P. B. Panda	Managing Director
Mr. R. Ranganath	Independent Director

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

3. **Financial Details**

Particulars	₹ Lakhs
a) Average net profit of the Company for last three financial years.	8,551.14
b) Prescribed CSR Expenditure (2% of the average net profits for last three years)	171.02
c) Details of CSR spent during the financial year:	
(i) Total amount spent :	175.13
(ii) Amount unspent, if any	Nil

Manner in which the amount spent during the financial year is given as an Annexure to this report:

4. **Responsibility Statement**

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with our CSR objectives.

sd/-

S. PATHAK
Chairman of CSR Committee
(DIN : 06545101)

sd/

P. B. PANDA
Managing Director
(DIN : 07048273)

Date : 23rd June, 2020

Place : Jamshedpur

ANNEXURE TO THE CSR ANNUAL REPORT 2019-20

Manner in which the amount spent during the financial year is detailed below : (In ₹ Lakhs)

Sl. No.	Project / Activities	Sector in which the project is covered	Location of project	Amount Outlay	Amount Spent on the projects or programs	Cumulative Expenditure up to the reporting period	Amount Spent Direct or through Implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Merit cum means scholarship to poor and meritorious students, Total Secondary School Education facilities to talented SC/ST students, development of infrastructure for education and financial aid to School for special children and BEST Trust.	Education	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha At: Karuppur, Salem, Tamilnadu	38.2	37.44	37.44	Direct
2	Organising health camps, Family Planning Camps, "Balyashree" Programme, immunization & National Pulse Polio programmes	Health Care	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	5.74	5.4	5.4	Direct
3	Supply of drinking water through tankers, Construction of facilities for access to safe drinking water, Community toilets in rural areas	Drinking water and sanitation	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	10.34	9.13	9.13	Direct
4	Promoting Skill Development Training to unemployed youth through the Rural Self Employment Training Institute (RSETI) and running Sewing Centre at Bhikampali Panchayat	Sustainable Livelihood	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	30.62	31.1	31.1	BEST
5	Extending financial support to cultural / social events to promote culture	Ethnicity	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	3.55	3.84	3.84	Direct
6	Maintaining a nursery for development of saplings, development and maintenance of mass plantation areas, distribution of saplings for community plantation.	Environment	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	27.1	24.6	24.6	Direct
7	Developing Rural Infrastructure for public use and taking up beautification projects in Belpahar.	Rural Infrastructure	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	41.27	46.75	46.75	Direct
8	Supplying sports kits to sports clubs & schools, extending financial support for organizing sports events in rural areas	Sports	At: Belpahar Municipality and Lakhanpur Block Dist: Jharsuguda Odisha	19.29	16.87	16.87	Direct
			Total	**176.12**	**175.13**	**175.13**	

Belpahar Education Society (BEST) formed by the Company under Society Registration Act, 1860.

Annexure B

Extract of Annual Return

As 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]

Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS:

CIN	U26921OR1958PLC000349
Registration Date	5th September, 1958
Name of the Company	TRL Krosaki Refractories Limited
Category/Sub-Category of the Company	Public Company having share capital
Address of the Registered office and contact details	Po- Belpahar, Dist- Jharsuguda, Odisha, 768218, India Phone : +91 6645 258817 Email : sambit.mishra@trlkrosaki.com
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent	The Company has an in-house Share Department at the registered office address. Phone: +91 6645 258417

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	NIC Code of the Product	% to total turnover of the Company
1	Manufacturing of Refractories products	23913	57
2	Manufacturing of Monolithic products	23911	30

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Krosaki Harima Corporation 1-1, Higashihama-machi, Yahatanishi-ku Kitakyushu-city, 806-8586, Japan	NA	Holding	77.62	2(46)
2	TRL Krosaki Asia Pte Ltd 7, Temasek Boulevard # 12-02C Suntec Tower One Singapore - 038987	NA	Associate	37	2(6)
4	Almora Magnesite Limited Magnesite House, Ranidhara Road, Almora-263601 (Uttaranchal)	U26941UR1971PLC003453	Associate	39	2(6)

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

(i) Category—wise Shareholding

Category of Shareholders	Beginning of the year (1st April, 2019)				End of the year (31st March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	—	—	—	—	—	—	—	—	—
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt. (s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	—	—	—	—	—	—	—	—	—
e) Banks/FI	—	—	—	—	—	—	—	—	—
Sub-total (A) (1):-	—	—	—	—	—	—	—	—	—
(2) Foreign									
a) NRIs- Individuals	—	—	—	—	—	—	—	—	—
b) Other- Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	1,62,22,864	—	1,62,22,864	77.62	1,62,22,864	—	1,62,22,864	77.62	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
Sub-total (A) (2):-	1,62,22,864	—	1,62,22,864	77.62	1,62,22,864	—	1,62,22,864	77.62	—
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	1,62,22,864	—	1,62,22,864	77.62	1,62,22,864	—	1,62,22,864	77.62	—
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks/FI	—	—	—	—	—	—	—	—	—
c) Central Govt.	1010	—	1010	0.005	1020	—	1020	0.005	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	9,62,500	—	9,62,500	4.61	9,62,500	—	9,62,500	4.61	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	9,63,510	—	9,63,510	4.615	9,63,520	—	9,63,520	4.615	—
2. **Non- Institutions**									
a) Bodies Corp.									
i) Indian	24,62,640	1,50,000	26,12,640	12.50	24,62,640	1,50,000	26,12,640	12.50	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals/HUF									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	58,490	33,776	92,266	0.44	69,440	22,816	92,256	0.44	—

Category of Shareholders	Beginning of the year (1st April, 2019)				End of the year (31st March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7,48,510	2,60,210	10,08,720	4.83	7,48,510	2,60,210	10,08,720	4.83	—
Sub-total (B)(2):-	32,69,640	4,43,986	37,13,626	17.77	32,80,590	4,33,026	37,13,616	17.77	—
Total Public Shareholding (B)=(B)(1)+ (B)(2)	42,33,150	4,43,986	46,77,136	22.38	42,44,110	4,33,026	49,77,136	17.77	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Total (A+B+C)	2,04,56,014	4,43,986	2,09,00,000	100	2,04,66,974	4,33,026	2,09,00,000	100	—

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Beginning of the year (1st April, 2019)			End of the year (31st March, 2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Krosaki Harima Corporation	1,62,22,864	77.62	—	1,62,22,864	77.62	—	—
	Total	1,62,22,864	77.62	—	1,62,22,864	77.62	—	—

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2019		Cumulative Shareholding during the year (1st April, 2019 to 31st March, 2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	1,62,22,864	77.62	—	—
	Changes during the year	NIL			
	At the end of the year	—	—	1,62,22,864	77.62

(iv) Shareholding Pattern of top ten Shareholders

Sl. No.	Shareholders Name	Shareholding at the beginning of the year i.e. 1st April, 2019		Cumulative Shareholding during the year (1st April, 2019 to 31st March, 2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Krosaki Harima Corporation	162,22,864	77.62	162,22,864	77.62
2	Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54
3	Life Insurance Corp. of India	9,62,500	4.61	9,62,500	4.61
4	Rita Pavankumar	4,65,000	2.22	4,65,000	2.22
5	Stewart and Mackertich Wealth Management Limited	1,50,000	0.72	—	—
6	SMIFS Limited	—	—	1,50,000	0.72
7	S. M. S. Investment Corp. Pvt. Limited	97,490	0.47	97,490	0.47
8	Devraj Singh	92,285	0.44	92,285	0.44
9	Lalitya Kumari	92,285	0.44	92,285	0.44
10	Man-Made Fibers Pvt. Limited	75,000	0.36	75,000	0.36
11	M/S Alpic Finance Limited	70,000	0.33	70,000	0.33

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year i.e. 1st April, 2019		Shareholding at the end of the year i.e. 31st March, 2020	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. P. B. Panda	100	—	100	—
2	Mr. A. Debta	50	—	50	—

V. INDEBTEDNESS

Indebtedness of the Company includes interest outstanding/accrued but not due for payment. (In ₹ lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year			
(i) Principal amount	8,029.68	13,871.61	21,901.29
(ii) Interest due but not paid	—	—	—
(iii) Interest accrued but not due	—	—	—
Total (i + ii + iii)	**8,029.68**	**1,3871.61**	**21,901.29**
Change in Indebtedness during the financial year			
● Addition	9,396.25	—	9,396.25
● Reduction	—	7,980.74	7,980.74
Net Change	**9,396.25**	**(7,980.74)**	**1,415.51**
Indebtedness at the end of the financial year			
(i) Principal amount	17,425.93	5,890.87	23,316.80
(ii) Interest due but not paid	72.71	—	72.71
(iii) Interest accrued but not due	7.44	1.99	9.43
Total (i + ii + iii)	**17,506.08**	**5,892.86**	**23,398.94**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In ₹ lakhs)

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager
		Mr. P. B. Panda MD
1	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	88.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	17.74
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—
2	Stock Options	Nil
3	Sweat Equity	Nil
4	Commission	100.00
5	Others(Retirement Benefits)	16.02
	Total	221.76
	Ceiling as per the Companies Act, 2013	677.11

B. Remuneration to other Directors: (In ₹ lakhs)

Sl. No.	Name	Commission*	Sitting Fees	Total Compensation
I	**Non-Executive Directors**			
1	Mr. H. M. Nerurkar	45.00	2.40	47.40
2	Mr. Kotaro Kuroda@	3.73	1.40	5.13
3	Mr. Kiyotaka Oshikawa@	5.98	2.70	8.68
4	Mr. Toshikazu Takasu@	1.86	1.00	2.86
5	Mr. Sadayoshi Tateishi@	1.86	1.00	2.86
6	Mr. A. K. Rath#	0.74	0.40	1.14
7	Mr. H. P. Singh	—	—	—
8	Mr. Sudhansu Pathak**	1.86	0.75	2.61
9	Mr. Hisatake Okumura@	0.74	0.40	1.14
10	Mr. Takeshi Yoshida@	1.12	0.60	1.72
	Total (I)	**62.89**	**10.65**	**73.54**
II	**Independent Director**			
1	Sunanda Lahiri	5.23	2.40	7.63
2	Mr. Sudhir K. Joshi	7.47	2.35	9.82
3	Mr. P. V. Bhide	—	—	—
4	Mr. R. Ranganath	—	—	—
	Total (II)	**12.70**	**4.75**	**17.45**
	Grand Total (I + II)	**75.59**	**15.40**	**90.99**
	Overall ceiling as per the Companies Act, 2013 (commission)			**135.42**

* Commission for the financial year 2019-20, will be paid after approval of Financial Statements.
** Disbursed as per Tata Steel guidelines.
# Paid to Steel Authority of India Limited.
@ Paid to Krosaki Harima Corporation, Japan.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(In ₹ lakhs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. A. Debta GM (Legal) & Company Secretary	**Mr. M. V. Rao** Sr. VP(F) & CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	28.25	83.05	111.30
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	3.67	6.46	10.13
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961.	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
5	Others(Retirement Benefits)	2.99	7.94	10.93
	Total	**34.91**	**97.45**	**132.36**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

Date : 23rd JUne, 2020
Place : Belpahar

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

To
The Members,
TRL KROSAKI REFRACTORIES LIMITED
CIN-U26921OR1958PLC000349

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by TRL Krosaki Refractories Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

(I) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under relating to Foreign Direct Investment or Overseas Direct Investment.

(iv) Following other laws as are specifically applicable to the Company:

a. The Factories Act, 1948

b. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

c. Industrial Disputes Act, 1947

d. Contract Labour (Regulations and Abolition) Act, 1970

e. Employees State Insurance Act, 1948

f. Payment of Bonus Act, 1965

g. The Employees Compensation Act, 1923

h. The Mines Act, 1952 and the Mines Rules, 1955

i. Mines & Minerals (Development and Regulation) Act, 1957

j. The Environment Protection Act, 1986

k. Water (Prevention & Control of Pollution) Act, 1974

l. Air (Prevention & Control of Pollution) Act, 1981.

The company complies with Statutory Tax Audit requirement under section 44AB of the Income Tax Act, 1961, which is done by Tax Auditors appointed in his Tax Audit Report, so we have not reviewed compliance of applicable Income Tax Laws to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India, under Section 118 (10) of the Companies Act, 2013 by the Company.

The management has represented and we have also checked that the Company being an unlisted Public Company the following Acts, Regulations, Guidelines, Agreements etc. as specified in the prescribed MR-3 Form were not applicable to the Company:

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

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

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

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

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

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

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

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

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

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;

(iii) Listing Agreement with Stock Exchanges.

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

We further report that:

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

(b) Adequate notice was given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Place: Bhubaneswar
Date: 11.06.2020

sd/-
(CS Ashok Kumar Mishra)
FCS-5128, C.P. No-3270

UDIN-F005128B000335997

This is to be read with our letter of even date which is annexed as Enclosure-A and forms an integral part of this report.

Enclosure-A

To
The Members,
TRL Krosaki Refractories Limited
U26921OR1958PLC000349

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records, which were provided to us digitally due to the COVID-19 lockdown. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bhubaneswar
Date: 11.06.2020

sd/-
(CS Ashok Kumar Mishra)
FCS-5128, C.P. No-3270

Annexure D

Statement pursuant to Section 197 of the Companies Act, 2013 read with Rules of The Companies (Appointment and Rumuneration of Managerial Personnel) Rule, 2014

Name	Designation/ Nature of duties	Gross Remuneration ₹	Net Remuneration ₹	Qualifications	Age (Years)	Total Experience (Years)	Date of Commencement of Employment	Particulars of last Employment held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
P. B. Panda	Managing Director	4,21,32,021	2,34,55,600	B.Sc. (Tech.) Ceramic Tech.	62	38	17.10.1981	—
H. Sehgal	Sr. Vice President (Operations)	1,02,67,576	62,95,759	B.Tech. (Mech.)	54	31	08.03.2007	Vardhaman Textiles
M. V. Rao	Sr. VP (Finance) & CFO	97,45,086	57,88,809	FCMA	57	31	14.08.1992	Stiles India Ltd.
S. Sengupta	Sr. Vice President (DSS)	92,02,559	58,25,304	B.Tech. (Ceramic)	48	27	03.08.2009	IFGL Refractories Ltd.
P. K. Naik	Sr. Vice President (Prodn.)	79,77,791	49,13,130	M Tech. (Geology)	55	28	01.08.1991	
T. P. Dash	Sr. Vice President (Corporate Services)	79,41,070	47,31,375	MSc. (Chemistry), P.G. Diploma (Ecology & Env.), P.G. Diploma (Safety), P.HD. Env. Sc.	54	29	17.09.1991	J. K. Paper Mills Ltd.
H. Nagata	Sr. Vice President (Tech & TSS)	67,21,624	43,66,408	M.Tech. (Metallurgy)	61	37	01.07.2015	Krosaki Harima Corporation, Japan
R K Singh	Vice President (HR & IR)	66,99,786	40,82,575	PHD in HR Management Executive MBA	54	24	10.05.2018	Hindustan Coca-cola Beverages Pvt. Ltd.
Krishnendu Kumar	AVP (DSS-EAST-KOL & CENTRAL)	55,22,050	35,66,318	Bsc. Technology (Ceramics)	43	19	01.08.2000	
Takashi Matsunaga	Vice President (TECH. & QA)	53,36,584	35,95,515	BE (Material Science & Technology)	54	32	01.04.2018	Krosaki Harima Corporation, Japan

Notes:

1. Gross Remunerartion comprises Salary, allowances, monetary value of perquisites, commissions and the Company's contribution to Provident Fund and Superannuation Fund but excludes contribution to Gratuity Fund as separate figures are not available.
2. Net Remuneration is after tax and is exclusive of Company's Contribution to provident fund and superannuation fund and monetary value of non-cash perquisites.
3. None of the above employees along with his spouse and dependent children hold 2% or more equity shares of the Company.
4. The nature of employment in all cases is contractual.
5. None of the above employees is a relative of any director of the Company.

On behalf of the Board of Directors

sd/-
H.M.NERURKAR
Chairman
(DIN : 00265887)

Date : 23rd June, 2020
Place : Mumbai

Annexure E

Conservation of Energy, Technology Absorption

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

(a) Energy conservation measures taken:

(i) Modified kiln lining material to MGS9 brick and made arrangement for easy retraction of burner to eliminate the coating formation problem in the kiln.

(ii) Furnace oil flow variation rectified in RTK 2 F. O. pump by installing drive for motor thus ensuring smooth oil flow.

(iii) Preheater monitoring and maintenance system implemented in both rotary kilns.

(iv) Modified pet-coke specifications to use good quality material only.

(v) Installed UPS power back up system, automatic car push- pull system and IOT in Silica tunnel kiln to reduce losses and improve firing efficiency.

(vi) Following improvements done in dolo tunnel kilns to improve kiln yield and thus reduce specific energy consumption:

- Installation of VFD in F. O. pump to reduce unburnt fuel during combustion.
- Sealing of preheating zone of tunnel to ensure adequate wax burning.
- Modification of setting pattern of longer series to reduce bend and refire.
- Fixing kiln car pushing rate for both kilns.

(vii) Fixing of VFDs in 5 Dedusting systems in Belpahar plant.

(b) Impact of above measures :

Savings of Rs. 3 crores due to lower specific consumption of fuel in various kilns.

(ii) Capital investment on energy conservation equipment

Rs. 26.6 lakhs were spent on installation of CO/O_2 analyser in rotary kilns.

B. Technology absorption, adaptation and innovation:

(i) Efforts, in brief, made towards technology absorption, adaptation and innovations:

- Number of new products have been introduced in the product basket with in-house development as well as with technical know-how with Krosaki Harima Corporation, Japan.
- High corrosion resistance Tap Hole Clay mass & sealing material for large capacity BF.
- Improved Corrosion & thermal shock resistance Trough Castable for higher performance in large capacity BF application.
- Improved thermal shock & corrosion resistance Corrundum-Spinel Bricks for Torpedo Car application.
- Gunning material for Torpedo car & RH Degasser application.
- Low Thermal conductivity Castable for BF-Blow pipe application.
- Improved Quality Al_2O_3-MgO-C Brick for Steel Ladle Bottom/side wall application.
- High performance Al_2O_3-Spinel Well block for Steel Ladle Application.
- New generation Slide plates for multiple Heat & high Calcia grade steel.
- High performance Dolomite Bricks for AOD application.
- Innovation in every field of business process are given as the thrust area. TRL-Krosaki R&D has published nine technical papers in International seminars.
- TRL Krosaki is continuously working jointly with Customers (TSL-TISTRIK) & Raw material suppliers (Almatis, Kerneous etc) for performance improvement of existing products, new product development and introduction of new raw materials.

(ii) Benefits derived as a result of above efforts

Improved product performance and cost reduction.

(iii) In case of imported technology (imported during the five years reckoned from the beginning of the financial year) following information may be furnished:

Details of Technology	Year of Import	Whether technology fully absorbed	Status of Implementation
Manufacturing of Slide Gate Device – Krosaki Harima Corporation, Japan	2013-14	Y	Implemented
Manufacturing of AG Refractories - Krosaki Harima Corporation, Japan	2019-20	N	Under Implementation

C. Research & Development

(I) Specific areas in which R&D work was carried out by the Company

New product development, improvement of product performance, upgradation of existing products, improvement for consistency of product, alternative cost-effective raw materials development. Major emphasis was given to the research in the field of iron making & Steel making areas like Trough, Torpedo, Tap hole-clay, Steel Ladle, Flow control, RH Degasser. In stainless steel & nonferrous area also continuous research work has been carried out to improve the performance of Dolomite & DBMC Products.

(ii) Benefits delivered as a result of R&D Programmes

R&D activities have helped Company in reducing the cost of raw materials through redesign of products as well as improvement in yield. Sales through new/improved and focused products during the year ending March 31, 2020 was 766 Crores.

(iii) Future plan of action

Company continues its effort on developing/improving new/ existing products through Technical Services to meet the future technological challenges & meet Customer expectations. Redesigning of products with alternative raw materials to address the market requirement & business challenges. R&D will continue to work on reducing input cost.

(iv) Expenditure of R&D

(a) Capital	:	Rs. 69.70 Lakhs
(b) Recurring	:	Rs. 873.48 Lakhs
(c) Total	:	Rs. 943.18 Lakhs
(d) Total R&D expenditure as a Percentage of total turnover	:	0.57 %

This Figures are unaudited from Finance

D. Foreign Exchange Earnings & Outgo Research & Development

Foreign Exchanged Earned	:	Rs. 331.31 Crores
Foreign Exchanged Used	:	Rs. 439.23 Crores

On behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)

Date : 23rd June, 2020
Place : Mumbai

Annexure F

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Refractories are composite materials used in large volume in extreme, usually corrosive environments in equipment, such as, furnace lining, molten metal storage and tapping as furnace lining for high temperature materials processing and other applications in which thermos-chemical properties are of critical importance. Refractories are therefore facilitating or enabling materials and are essential to successful operations of any core industry in which high temperatures applications are involved. About 70% of world refractory production is consumed by steel industry. In India steel industry consumes around 75% of refractories produced. Other significant consumers of refractories are copper, cement, lime, aluminum, glass, chemicals etc.

As the steel industry is the major consumer of refractories, the growth of refractories industry is closely linked with the growth of iron and steel industry. India has become 2nd largest producer of crude steel in the world. India's estimated steel production in 2019-20 is 109 Mn. MT an increase of 2% from 107 Mn. MT in 2018-19. The out-break of COVID 19 pandemic and the expected slowdown of the economy may reduce the steel production in India in the year 2020-21. However, India is expected to be one of the few countries with good demand of steel in the medium term. It is estimated that steel demand will continue to increase in India especially from construction, automotive and infrastructure sectors. Indian steel industry is consolidating for the past two years and this will help to infuse fresh funds for raising capacity utilization. It is estimated that the steel production in India will increase to 146.2 Mn. MT by 2023. This will increase the demand for refractories. Other major consuming industries like cement, copper and aluminum are also expected to grow in the next 5 years.

Performance Review

During the year, the Company recorded Profit Before Tax of Rs. 131.38 Crores (previous year: Rs. 129.95 Crores) and Profit After Tax of Rs. 98.36 Crores (previous year: Rs. 81.96 Crores). The increase is primarily on account of improved operational efficiencies, improved product performance with improved technical support at customers' sites.

Sl. No.	Item	2019-20 ₹ Crores	2018-19 ₹ Crores	Change (%)
1	Sale of Products and Services	1651	1592	4 ↑
2	Other Income	3	2	50 ↑
3	Total Income (1+2)	1654	1594	4 ↑
4	Manufacturing and other Expenses	1479	1417	4 ↑
5	Earnings before interest, Depreciation, Taxes	175	178	2 ↓
6	Other comprehensive income (Loss)	(2)	(3)	33↓
10	EBIDTA margin	10.58%	11.17%	5 ↓
11	Depreciation	27	32	16 ↓
12	Finance Cost	17	16	6 ↑
13	Profit Before Tax	131	130	1 ↑
14	Profit After Tax	101	85	19 ↑

Raw material consumption increased from Rs. 693 Crores in 2018-19 to Rs. 717 Crores in current year primarily on account of higher production of Tap Hole clay and Trough Castable products. Stores and Spares consumption decreased from Rs. 34 Crores in 2018-19 to Rs. 32 Crores in current year primarily due to decrease in production. Fuel consumption decreased from Rs. 92 Crores in 2018-19 to Rs. 84 Crores in current year primarily due to decrease in furnace oil prices and decrease in Dolomite refractories production. Employee benefit expenses increased from Rs.114 Crores in 2018-19 to Rs. 126 Crores in current year primarily on account of salary revisions and its consequential impact on the retirement provisions. Depreciation decreased from Rs. 32 Crores in 2018-19 to Rs. 27 Crores in current year primarily on account of decrease in amortization charges. Finance cost for the year was higher by Rs. 1 Crore compared to previous year primarily due to higher utilization of working capital facility fallowing increase in business. Freight and Handling charges increased from Rs. 77 Crores in 2018-19 to Rs. 81 Crores primarily due to higher export and supply of materials to overseas customers on DDU basis. Royalty increased from Rs. 7 Crores in 2018-19 to Rs. 9 Crores in current year due to higher sale of royalty bearing products. Commission and discounts decreased from Rs. 14 Crores in 2018-19 to Rs.12 Crores in current year primality due to lower business through overseas agents. Travelling expenses decreased from Rs. 17 Crores in 2018-19 to Rs. 16 Crores in current year primarily due to control on cost of foreign travel. Contractors charges for refractory management has increased from Rs. 25 Crores in 2018-19 to Rs. 28 Crores in current year on account of increase in refractory management activities at customers' sites.

Customer Relationship

Our strategy has been to be a customer centric organization & focus on continuous innovation in products & services. Hence, it is imperative for us to keep pace with the growing needs of our customers across sectors with proactive identification of the pain points & provide remedial solutions.

Last couple of years, we have focused on transforming our business model from product supply to a service & solution provider and our journey shall continue in this direction. During the year, intense interactions were made with the customers to make correlation between operational practices and life of refractories in order to bring continuous improvement in performance. For Blast Furnace Tap Hole Clay applications, we developed a unique protective coating material for the Mud Gun ring to prevent clay leakage & thus improve operational efficiency of the Blast Furnace. In our Blast Furnace Trough Management jobs, focus was given during the year to improve on efficiency of installation & monitoring equipment to ensure safe operations. Newly designed mixer machines with improved safety, improved water batching system with data logger & newly designed thermocouples to measure interface temperatures of trough lining has been introduced at various customer sites. The Customer Service Team formed in 2018 to improve the product and service performance in Stainless Steel sector where primarily Dolomite Refractory is used has yielded successful results during the year and we have solved various customer pain points & recorded benchmark performances in AOD vessels. This service model has now been extended to other focused products and during the year, similar Customer Services Teams have been formed for AG and FCP Products. Several initiatives have been taken during the year on sharing of knowledge with customer and strengthen customer relationship. Personnel from Nippon Steel and KHC, Japan were invited during the year to share knowledge on best operational practices in RH Degasser, Blast Furnace Cast House and Tundish Tube Changers. Visit of key customers to manufacturing units of the Company was organized to create awareness about the state-of-the-art manufacturing facility of the Company and the further capacity expansion being undertaken with modern technology Strong focus has been given on Safety at customer sites which was appreciated & the company was recognized for its efforts through accolades from several key customers.

Borrowings and Liquidity

Borrowings for working capital decreased from Rs. 219 Crores in 2018-19 to Rs. 146 Crores in current year primarily due to improved collection from customers in many months during the year and lower inventory of raw materials. Inventory of raw materials decreased from Rs. 220 Crores in 2018-19 to Rs. 163 Crores in current year. Trade Receivables increased from Rs. 219 Crores in 2018-19 to Rs.274 Crores in current year due to increase in revenue and decrease in collection due to lock down in March 2020. Other current assets decreased from Rs. 59 Crores in 2018-19 to Rs. 50 Crores in current year primarily due to decrease in advances with public bodies.

The average cost of borrowing has decreased from 7.05 % in 2018-19 to 6.23% in current year primarily due to change in mix of loans and decrease in Marginal Cost of funds-based Lending Rate (MCLR) by banks.

Keeping in view, estimated better performance during the year 2019-20, current gearing level and unutilized credit limits, the Company is comfortable of managing its liquidity over the short term and medium term.

Human Resources

The company recognizes Human Resource as one of the key drivers of its strong financial growth over the years. The commitment of TRL Krosaki towards its workforce is demonstrated through its focus and investments made towards improving quality of life of its workforce, adopting people centric policies and practices, building a capable and healthier workforce at all levels, increasing diversity at workplace and ensuring continuous industrial harmony over the past several decades.

Capability building of human resources has played a pivotal role in business success and the same has been reemphasized as an organizational priority. Besides sustaining the initiatives launched in the previous year, the company has launched several new initiatives to further augment the capability of its workforce by providing ample opportunity to learn, grow and strengthen the culture of performance and collaboration.

These initiatives have resulted in increased employee engagement and satisfaction internally and have been equally recognized externally. During the year, for its outstanding work towards employee focused initiatives; TRL Krosaki received the People First HR excellence award for leading innovative practices in employee engagement. TRL Krosaki was also certified as a “Great Place to Work” recognizing the high trust and high-performance culture in the organization. The survey reflected a high score on management Credibility and pride.

With its diversity focus, there has been continuous increase of women employees over the year resulting into 10.6% gender diversity at the officer’s level (59 nos.) and 7.3% at overall level (107 nos.) at the end of the year 19-20. The attrition rate has remained stable at 5% and during the year 12 young officers have joined as talent pipeline. Employee Buddy Scheme has been launched in September 2019 wherein new joiners have been assigned with an experienced employee as a Buddy. The new joiner induction process has also been revamped to provide a more comprehensive understanding about the organization.

The focus of learning and development programmes have been aligned with organizational needs. These needs have been identified through structured Training Need Validation and Individual Development Plans. A total of around 100 Individual Development Plans (IDPs) have been created in discussion with the HODs envisioning employee’s professional development path over the short and long term. It identifies key areas of challenging roles, learning and development either through formal training or on-the-job approach. The learning needs for workmen are also being identified in consultation with the respective Departmental heads, specifically through a Human Resource Readiness Analysis for workmen. The company is continuously upgrading its learning infrastructure, approach, process and methods and has increased the range and quality of internal and external programmes focused on building the identified specific functional and behavioral competencies or our workforce.

The Company is committed towards strengthening a strong organizational culture driven by our core values, work-ethics, benchmarked people practices and encouraging collaboration at all levels in its journey from good to great.

Annexure G

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2019-20

Company's Corporate Governance Philosophy

TRL Krosaki Refractories Limited is not a Listed Company. Hence, the Corporate Governance norms are not statutorily mandatory for TRL Krosaki. However, your Company is committed to follow good corporate governance practices proactively. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company believes that good corporate governance practices generate goodwill among business partners, customers and investors, earn respect from society, bring about a consistent sustainable growth and profitability for the Company and ensure competitive returns for the investors. The Corporate Governance Philosophy has been strengthened with the implementation of Code of Conduct applicable to the Company, its Directors and its Employees.

Board of Directors

The Board of Directors ("the Board") is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

SIZE AND COMPOSITION OF THE BOARD

The Company has a Non-Executive Chairman and all other Directors except the Managing Director are Non-Executive Directors (NEDs).

None of the Directors on the Board is Director in the Board of more than ten Public Companies (including directorship in private company which is either holding or subsidiary company of a public company) and more than twenty Companies. Also, none of the Director on the Board is a Member of more than 10 Board Committees (Audit Committees and Stakeholders' Relationship Committees) and a Chairman of more than 5 Committees, across all the Companies in which he or she is a Director.

Currently, the Board comprises; eleven members consisting one Managing Director, eight Non-Executive Directors (NEDs) and two Independent Directors (IDs) including a Woman Director. The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website: www.trlkrosaki.com .

None of the NEDs serve as IDs in over seven listed companies and the Whole-time Director does not serve as ID on any listed company.

The Company has issued formal letters of appointment to Independent Directors. The terms and conditions of appointment of Independent Directors is available on the Company's website and can be accessed at http://www.trlkrosaki.com/aboutUs/Board-of-Directors.aspx

The names and categories of Directors on the Board, their attendance at Board Meetings during the year, and at the last Annual General Meeting, and also the number of Directorships and Committee Memberships held by them in other Companies are given below:

Name	DIN	Whether attended AGM held on September, 25, 2019	No. of Directorships in other Public Companies # As on 31.03.2020		No. of Committee Positions held in other Public Companies * As on 31.03.2020	
			As Chairman	As Director	As Chairman	As Member
Non-Executive Directors						
Mr. H. M. Nerurkar *(Chairman)*	00265887	Yes	2	5	4	4
Mr. Kotaro Kuroda	03140089	Yes	—	—	—	—
Mr. Kiyotaka Oshikawa	03515516	Yes	—	1	—	—
Mr. Toshikazu Takasu	07119176	Yes	—	—	—	—

Name	DIN	Whether attended AGM held on September, 25, 2019	No. of Directorships in other Public Companies # As on 31.03.2020		No. of Committee Positions held in other Public Companies * As on 31.03.2020	
			As Chairman	As Director	As Chairman	As Member
Mr. Sadayoshi Tateishi	03119411	No	—	—	—	—
Mr. Sudhansu Pathak	06545101	No	—	1	—	—
Mr. Hisatake Okumura	05130777	No	—	—	—	—
Mr. Takeshi Yoshida	03514462	No	—	—	—	—
Independent Directors						
Mr. P. V. Bhide (w.e.f 21st March, 2020)	03304262	NA	—	8	4	5
Mr. R. Ranganath (w.e.f 21st March, 2020)	06725337	NA	1	3	1	—
Executive Director(s)						
Mr. P. B. Panda *(Managing Director)*	07048273	Yes	—	—	—	—

\# Excludes Directorships in Private and Foreign Companies.

* Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee.

Board Meetings

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS

Dates for Board meetings in the ensuing year are decided in advance. Most Board meetings are held at TRL Krosaki, 13th Floor, Rudramani Building, Kolkata - 700039. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting ("AGM") of the shareholders. Additional meetings are held, when necessary. Committees of the Board usually meet before the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval.

Six Board Meetings were held during the financial year 2019-20 and the gap between two consecutive meetings did not exceed one hundred and twenty days.

The details of meetings attended by Directors are given below:

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar *(Chairman)*	NED	6	100
Mr. P. B. Panda	ED	6	100
Mr. Sudhansu Pathak	NED	3	50
Mr. Kotaro Kuroda	NED	4	67
Mr. Kiyotaka Oshikawa	NED	6	100
Mr. Hisatake Okumura	NED	2	33
Sunanda Lahiri (up to 20th March, 2020)	ID	6	100
Mr. Sudhir K. Joshi (up to 20th March, 2020)	ID	5	83
Mr. Toshikazu Takasu	NED	5	83
Mr. Sadayoshi Tateishi	NED	5	83
Mr. Takeshi Yoshida	NED	3	50
Mr. A. K. Rath	NED	2	33
Mr. H. P. Singh	NED	—	—
Mr. P. V. Bhide (w.e.f 21st March, 2020)	ID	—	—
Mr. R. Ranganath (w.e.f 21st March, 2020)	ID	—	—

ID - Independent Director, NED - Non-Executive Director, ED – Executive Director

Mr. H. P. Singh resigned from directorship effective 11th April, 2019.

Mr. A. K. Rath ceased as director effective 25th September, 2019.

Mr. S. K. Joshi & Sunanda Lahiri completed their tenure of 5 year and retired as director effective 20th March, 2020.

Mr. P. V. Bhide & Mr. R. Ranganath appointed as Independent Director effective 21st March, 2020.

INDEPENDENT DIRECTORS MEETING

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors met on 19th March, 2020 without the presence of Non Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors under Section 177 of the Companies Act, 2013. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the process and controls including compliance with applicable laws, code of conduct, Whistle Blower Policy and related cases thereto, functioning of the Prevention of Sexual Harassment at Workplace Policy and guidelines and Internal Controls. The Committee may also review such matters as considered appropriate by it or referred to it by the Board.

Five Meetings of the Audit Committee were held during the financial year 2019-20.

The composition of the Audit Committee and the details of meetings attended by the Members are given below:

Name of the Director	Category	No of meeting attended	Attendance (%)
Mr. Sudhir K. Joshi (up to 20th March, 2020)	ID	5	100
Sunanda Lahiri (up to 20th March, 2020)	ID	5	100
Mr. K. Oshikawa	NED	5	100
Mr. P. V. Bhide (w.e.f 21st March, 2020)	ID	—	—
Mr. R. Ranganath (w.e.f 21st March, 2020)	ID	—	—

ID - Independent Director, NED - Non-Executive Director

Mr. S. K. Joshi was appointed by members as Chairman of all Audit Committee meetings held during the year 2019-20.

Mr. S. K. Joshi & Sunanda Lahiri completed their tenure of 5 years and retired effective 20th March, 2020.

Mr. P. V. Bhide & Mr. R. Ranganath were appointed as Independent Director of the Company and became member of the Committee effective 21st March, 2020.

As per present composition of the Committee, the Members present in a Meeting shall elect one of them as Chairperson to preside the Meeting.

The Audit Committee Meetings are attended by Internal Auditors and representative of Statutory Auditors are invited to the meetings. Other senior executives of the Company attended the meetings as invitees to address concerns raised by the Committee Members. The Company Secretary acts as the Secretary of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee of Directors under Section 178 of the Companies Act, 2013.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;

- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.
- Co-ordinates and overseas the annual self-evaluation of the performance of Board, Committees and of individual Directors.

Chairman of Nomination and Remuneration Committee, Mr. Kotaro Kuroda is different from Chairman of Board of Directors. Mr. S. K. Joshi and Sunanda Lahiri, Independent Directors are Members of the Committee (up to 20th March, 2020). Mr. P. V. Bhide and Mr. R. Ranganath became members of the Committee effective 21st March, 2020.

Three Meeting of the Nomination and Remuneration Committee was held during the financial year 2019-20.

The composition of the Nomination and Remuneration Committee and the details of meeting attended by the Directors are given below.

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Kotaro Kuroda (Chairman)	NED	2	67
Mr. H. M. Nerurkar	NED	3	100
Mr. S. K. Joshi (up to 20th March, 2020)	ID	3	100
Sunanda Lahiri (up to 20th March, 2020)	ID	3	100
Mr. P. V. Bhide (w.e.f 21st March, 2020)	ID	—	—
Mr. R. Ranganath (w.e.f 21st March, 2020)	ID	—	—

ID - Independent Director, NED - Non-Executive Director

REMUNERATION POLICY OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The Remuneration Policy approved by the Nomination and Remuneration Committee and Board is available on the Company's website http://www.trlkrosaki.com/aboutus/policies.aspx.

DETAILS OF REMUNERATION TO DIRECTORS FOR 2019-20

(a) Non-Whole time Directors (₹ Lakhs)

Sl. No.	Name of the Director	Commission *	Sitting Fees
1	Mr. H. M. Nerurkar	45.00	2.40
2	Mr. Kotaro Kuroda	3.73	1.40
3	Mr. Kiyotaka Oshikawa	5.98	2.70
4	Sunanda Lahiri (up to 20th March, 2020)	5.23	2.40
5	Mr. Sudhir K. Joshi (up to 20th March, 2020)	7.47	2.35
6	Mr. Toshikazu Takasu	1.86	1.00
7	Mr. Sadayoshi Tateishi	1.86	1.00
8	Mr. A. K. Rath (up to 25th Sept, 2019)	0.74	0.40
9	Mr. H. P. Singh (up to 11th April, 2019)	—	—
10	Mr. Sudhansu Pathak	1.86	0.75
11	Mr. Hisatake Okumura	0.74	0.40
12	Mr. Takeshi Yoshida	1.12	0.60
13	Mr. P. V. Bhide (w.e.f 21st March, 2020)	—	—
14	Mr. R. Ranganath (w.e.f 21st March, 2020)	—	—

Note:

(a) * Commission for the financial year 2019-20, will be paid after approval of Financial Statements.

(b) Amounts indicated against Mr. Kotaro Kuroda, Mr. Kiyotaka Oshikawa, Mr. Toshikazu Takasu, Mr. Sadayoshi Tateishi, Mr. Hisatake Okumura and Mr. Takeshi Yoshida are paid/payable to Krosaki Harima Corporation, Japan.

(c) Amounts indicated against Mr. A. K. Rath is paid/payable to Steel Authority of India Ltd.

(d) Amount indicated against Mr. Sudhansu Pathak :

(i) Sitting Fee is payable to Tata Steel Ltd.

(ii) Commission is disbursed as per Tata Steel guidelines.

(b) Managing Director (₹ lakhs)

Name	Salary	Perquisites & Allowances	Commission @	Stock Options
Mr. P. B. Panda	88.00	33.76	100.00	-

@ Commission will be paid after adoption of financial statements for FY 2019-20 at the AGM scheduled to be held on September 29, 2020.

Service Contract, Severance Fees and Notice Period

Period of Contract of MD: From 4th April, 2020 to 3rd April, 2023

The contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance fees.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In terms of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility (CSR) Committee to monitor the Corporate Social Responsibility Policy of the Company and the activities included in the policy.

The terms of reference of the Committee are:

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) To recommend the amount of expenditure to be incurred on CSR activities; and

c) To monitor from time to time the CSR Policy of the Company.

One Meeting of the Corporate Social Responsibility (CSR) Committee were held during the financial year 2019-20.

The composition of the CSR Committee and the details of meeting attended by the Directors are given below:

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. Sudhansu Pathak (Chairman)	NED	1	100
Mr. P. B. Panda	ED	1	100
Mr. Sudhir K. Joshi	ID	1	100

ID - Independent Director, NED - Non-Executive Director, ED – Executive Director

COMMITTEE OF BOARD

In addition to the above Committees on Corporate Governance, the Board has also constituted an additional committee known as Committee of Board and its terms of reference amongst its other functions is to periodically review:

- Business and Strategy
- Financial matters requiring special attention
- Long term financial projections and cash flow
- Capital expenditure programmes
- Organizational Structure.

COB shall also periodically review Company's business plans, profit projections, ways and means position etc.

Five Meeting of the Committee of Board (COB) was held during the financial year 2019-20.

The composition of the COB and the details of meeting attended by the Directors are given below.

Name of the Director	Category	No of meeting attended	Attendance(%)
Mr. H. M. Nerurkar (Chairman)	NED	5	100
Mr. P. B. Panda	ED	5	100
Mr. Kotaro Kuroda	NED	2	57
Mr. K. Oshikawa	NED	5	83

NED - Non-Executive Director, ED – Executive Director

GENERAL BODY MEETINGS

(a) Location and time, for last three Annual General Meetings (AGMs) and details of Special Resolution Passed:

Financial Year	Date	Time	Location	Special Resolution Passed for
2018-19	25th Sept'19	11:00 AM	Belpahar, Jharsuguda, Odisha - 768218	1. Revision in terms of remuneration of Mr. P. B. Panda, Managing Director 2. Alteration of Article of Association
2017-18	18th Sept'18	12:00 Noon	Belpahar, Jharsuguda, Odisha – 768 218	Re-appointment of Mr. P. B. Panda, Managing Director
2016-17	28th June'17	11.00 AM	Belpahar, Jharsuguda, Odisha – 768 218	No special Resolution Passed

(b) No Extra-Ordinary General Meeting of shareholders was held during the Year under review.

OTHER DISCLOSURES

The Board has received disclosures from key managerial personnel relating to financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interests of the Company at large.

INFORMATION TO INVESTORS

Annual General Meeting 2020

Date	**29th September, 2020**
Time	13:00 PM IST
Venue	Through video conference/other audio visual means
Financial Year	1st April 2019 to 31st March, 2020

Particulars of Directors seeking appointment / re-appointment are given in the annexure to the Notice of the Annual General Meeting to be held on 29th September, 2020.

Address for correspondence

Asst. Company Secretary
TRL Krosaki Refractories Limited
CIN-U26921OR1958PLC000349
PO: Belpahar – 768 218
Dist.: Jharsuguda, Odisha, INDIA
Phone: +91 6645 258817
E-mail: sambit.mishra@trlkrosaki.com

Distribution of Shareholding as on 31st March, 2020

Number of Shares Slab	Number of Shareholders	% of Shareholders	Number of Shares Held	% of Shares Held
1-100	24	21.82	1,958	0.01
101-500	23	20.91	7,948	0.04
501-1000	15	13.64	14,350	0.07
1001-5000	16	14.54	42,520	0.20
5001-10000	4	3.64	31,500	0.15
10001-100000	23	20.91	7,98,210	3.82
Above 100000	5	4.54	200,03,514	95.71
Total	**110**	**100**	**209,00,000**	**100**

Categories of Shareholding as on 31st March, 2020

Category of Shareholder	Number of Shares Held	Percentage of Share Capital
Foreign Holdings	162,22,864	77.62
Government Companies	22,03,150	10.54
FIs, Insurance Companies & Banks	9,62,500	4.61
Other Corporate Bodies	4,09,490	1.96
Mutual Funds	-	-
Directors & Relatives	100	-
Key Managerial Personnel & Relatives	50	-
Individual & Others	11,01,846	5.27
Total	**209,00,000**	**100**

Top Ten Shareholders of the Company as on 31st March, 2020

Sl.No.	Name of the Shareholders	No. of Shares Held	% of Holding
1	Krosaki Harima Corporation	162,22,864	77.62
2	Steel Authority of India Limited	22,03,150	10.54
3	Life Insurance Corp. of India	9,62,500	4.61
4	Rita Pavankumar	4,65,000	2.22
5	SMIFS Limited	1,50,000	0.72
6	S. M. S. Investment Corp. Pvt. Limited	97,490	0.47
7	Devraj Singh	92,285	0.44
8	Lalitya Kumari	92,285	0.44
9	Man-Made Fibers Pvt. Limited	75,000	0.36
10	M/s Alpic Finance Limited	70,000	0.33

Dematerialization of shares as on 31st March, 2020

We have established connectivity with the depository, i.e. National Security Depository Limited (NSDL). The International Securities Identification Number ("ISIN") allotted to the shares under the Depository System is **INE 012L01014.** 2,04,66,974 equity shares of the Company representing 97.93 % of the Company's Share Capital is dematerialized as on 31st March, 2020.

Unclaimed Dividend-

- All unclaimed /unpaid dividend amounts up to financial year 2011-12, have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred

- The unclaimed dividend declared in respect of the financial year 2012-13 can be claimed by the shareholders by 20th October, 2020.

Address for Correspondence : Asst. Company Secretary
TRL Krosaki Refractories Limited
PO: Belpahar – 768 218, Dist: Jharsuguda
Odisha, INDIA

Phone: +91 6645 258817
E-mail: sambit.mishra@trlkrosaki.com

OTHER INFORMATION TO THE SHAREHOLDERS

Dividend History for the last 10 years

Financial Year	Dividend Date	Rate	Financial Year	Dividend Date	Rate
2018-19	25.09.2019	122%	2013-14	06.09.2014	10%
2017-18	18.09.2018	66%	2012-13	21.09.2013	10%
2016-17	28.06.2017	63%	2011-12	15.09.2012	35%
2015-16	26.09.2016	20%	2010-11	06.05.2011	158%
2014-15	29.09.2015	10%	2009-10	24.07.2010	55%

Nomination Facility

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to the Company the prescribed Forms SH-13/SH-14. The Nomination Form can be downloaded from the Company's website https://www.trlkrosaki.com/about-us/forms-documents.aspx.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the Depository Participant (DP).

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company. As per Companies Act,2013, transfer of physical shares is banned. Accordingly, Shareholders are suggested to dematerialize the shares.

Remittance of Dividend through Electronic Mode

The Company provides the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service) / RTGS (Real Time Gross Settlement) / NEFT (National Electronic Funds Transfer). Shareholders, who have not opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) to their respective Depository Participants (DPs) or to the ISC, where shares are held in the dematerialized form and in the certificate form, respectively.

Shareholders holding shares in the physical form may use the NECS Mandate Form for this purpose, which can be downloaded from the Company's website under the section 'Investor Relations' or can be furnished by the Company on request.

INDEPENDENT AUDITOR'S REPORT

To the Members of TRL Krosaki Refractories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of TRL Krosaki Refractories Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the 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 standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

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

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

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer note 25 to the standalone financial statements;

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

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

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

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 20060715AAAACP5810

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: June 23, 2020

Annexure A to the Independent Auditors' report on the standalone financial statements of TRL Krosaki Refractories Limited for the year ended 31 March 2020

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year. In our opinion, the frequency of such physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification carried out during the year.

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

(ii) According to the information and explanations given to us, the inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management, at reasonable intervals, during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit as at year end, subsequent clearance of goods have been verified. For stocks lying with the third parties as at the year end, written confirmations have been obtained by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the Company has granted unsecured interest free loan in the previous year to one person covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'), in respect of which :

(a) no loan has been granted during the year to the person listed in the register maintained under Section 189 of the Act.

(b) the schedule of repayment of principal has been stipulated and repayments or receipts of principal amounts have been regular as per stipulations.

(c) there is no overdue amount remaining outstanding as at the year-end.

(iv) According to the information and explanations given to us, the Company has not given any loans, investments, guarantees or securities during the year that would attract provisions of Section 185 of the Act. In our opinion and accordingly to the information and explanations given to us, the provisions of Section 186 of the Act in respect to investments made has been complied with by the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per 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 rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the products manufactured by the Company 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 records with a view to determine whether they are accurate or complete. The Company is not required to maintain cost records under Section 148(1) in respect of services rendered by them.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including employees' state insurance, goods and services tax, duty of customs, cess, income tax and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delay in case of provident fund. As explained to us by the management, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and any other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except in case of provident fund where amount of ₹ 11.01 lakhs pertaining to the period from April to August 2019 was outstanding as at 31 March 2020 and was subsequently paid on 20 April 2020.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and services tax, sales tax, value added tax, entry tax, service tax, duty of excise and duty of custom which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of the dues	Amount in ₹	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Disallowances arising in income tax proceedings (deposits paid Rs. 7,55,67,173)	20,59,59,575	Assessment years 2010-11 to 2014-15	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 22,50,728)	3,78,29,702	2000-01, 2003-04 to 2010-11	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit	82,23,000	1999-2000 and 2001-02	Hon'ble High Court of Madras
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 15,00,513)	4,00,13,670	2007-08 and 2008-09	Commissioner (Appeals)
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 7,97,21,654)	7,97,21,654	2011-12 to 2019-20	Central Excise and Service Tax Appellate Tribunal
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 1,81,65,033)	1,81,65,033	2015-16, 2016-17 and 2019-20	Assistant Commissioner
Customs Act,1962	Classification of products under incorrect category (deposits paid Rs. 1,00,01,928)	1,00,01,928	2017-18 and 2019-20	Commissioner (Appeals)
Finance Act, 1994	Disallowance of credit on outward transportation (deposits paid Rs. 6,71,378)	1,79,43,302	2005-06 to 2008-09	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Disallowance of Cenvat Credit (deposits paid Rs. 2,64,431)	70,51,496	2013- 14 to 2017-18	Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of Statutory forms (deposits paid Rs. 1,20,26,957)	1,60,37,689	2006-07 to 2008-09	Sales Tax Tribunal
Central Sales Tax Act, 1956	CST demanded on branch transfer (deposits paid Rs. 20,00,000)	1,50,92,299	1994-1995	Hon'ble High Court of Odisha
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 1,80,48,744)	3,33,60,898	1987-1989, 2009-10 to 2017-18	Sales Tax Tribunal
Central Sales Tax Act, 1956	Non submission of statutory forms (deposits paid Rs. 36,98,736)	2,56,99,595	2009-10 to 2010-11	Commissioner
Central Sales Tax Act, 1956	Submission of defective forms (deposits paid Rs. 7,50,000)	43,20,734	2005-06	Additional Commissioner
Central Sales Tax Act, 1956	Wrong utilisation of C form	2,00,000	1986-1989	Commissioner of Sales Tax
Odisha Entry Tax Act, 1999	Tax demand on non-scheduled goods (deposits paid Rs. 76,503)	11,47,542	2012-13 to 2013-14	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 21,64,470)	21,64,470	2005-06 to 2006-07	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Reversal of input tax credit	26,57,04,686	2007-08 to 2013-14	Hon'ble High Court of Odisha
Gujarat Value Added Tax,2003	Demand due to incorrect filing by supplier	5,76,32,253	2009-10	Commissioner of Sales Tax
Orissa Value Added Tax Act, 2004	Disallowance of input credit (deposits paid Rs. 144,968)	21,74,520	2014-15	Sales Tax Tribunal
Orissa Value Added Tax Act, 2004	Disallowance of Input tax Credit (deposits paid Rs. 2,32,718)	14,54,489	2015-16 to 2017-18	Sales Tax Tribunal
Jharkhand Value Added Tax Act, 2005	Disallowance of input credit	10,72,640	2015-16	Joint Commissioner (Appeals)
Central Sales Tax Act, 1956	Non submission of statutory forms	8,84,609	2015-16	Joint Commissioner (Appeals)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loan or borrowings from financial institution or government or debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loan taken by the Company during the year have been applied for the purposes for which they were raised.

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

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

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.

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

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as per Section 192 of the Act. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 20060715AAAACP5810

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: June 23, 2020

Annexure B to the Independent Auditors' report on the standalone financial statements of TRL Krosaki Refractories Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of TRL Krosaki Refractories Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 20060715AAAACP5810

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: June 23, 2020

STANDALONE BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note	As at 31 March 2020 ₹	As at 31 March 2019 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	240,65,09,328	202,44,37,730
(b) Capital work-in-progress	01(c)	69,35,32,740	19,14,80,946
(c) Right-of-use assets	28	18,44,93,590	—
(d) Intangible assets	01(b)	3,43,79,513	3,26,80,817
(e) Investments in associates	02	14,60,60,575	14,60,60,575
(f) Financial assets			
(i) Investments	03	86,19,000	1,15,94,500
(ii) Loans	04	5,92,75,806	5,79,14,485
(iii) Other financial assets	05	3,46,53,923	3,22,61,298
(g) Non-current tax assets (net)		10,29,04,117	9,55,96,004
(h) Other non-current assets	06	29,79,59,875	19,45,05,909
Total Non-current assets		**396,83,88,467**	**278,65,32,264**
(2) Current assets			
(a) Inventories	08	314,01,62,437	359,54,47,592
(b) Financial assets			
(i) Trade receivables	07	274,21,82,238	218,54,29,201
(ii) Cash and cash equivalents	09	77,36,150	11,55,20,315
(iii) Other balances with banks	10	18,56,153	23,30,370
(iv) Loans	04	2,97,73,625	2,57,44,376
(v) Other financial assets	05	27,49,667	25,06,708
(c) Other current assets	06	49,69,76,226	59,14,48,569
(d) Assets held-for-sale		8,61,82,870	8,61,82,870
Total Current assets		650,76,19,366	660,46,10,001
TOTAL ASSETS		**1047,60,07,833**	**939,11,42,265**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		465,04,71,387	397,42,69,450
Total Equity		485,94,71,387	418,32,69,450
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	87,17,20,000	—
(ii) Lease liabilities	28	18,54,54,065	—
(b) Provisions	15	32,90,45,975	28,52,31,951
(c) Deferred tax liabilities (net)		5,85,92,841	9,17,35,932
Total Non-current liabilities		**144,48,12,881**	**37,69,67,883**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	145,99,59,996	219,01,28,280
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	2,78,13,667	28,10,866
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	212,26,60,336	208,06,34,055
(iii) Lease liabilities	28	99,51,139	—
(iv) Other financial liabilities	14	8,81,09,902	12,16,10,663
(b) Other current liabilities	16	32,05,70,496	27,60,65,620
(c) Provisions	15	8,89,69,279	8,30,60,553
(d) Current tax liabilities (net)		5,36,88,750	7,65,94,895
Total Current liabilities		**417,17,23,565**	**483,09,04,932**
TOTAL EQUITY AND LIABILITIES		**1047,60,07,833**	**939,11,42,265**
Notes forming part of financial statements	(1 - 40)		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

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

		Note	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
I	Revenue from operations	17	1651,09,23,810	1592,18,87,973
II	Other income	18	2,66,89,491	2,10,42,051
III	**Total Income (I + II)**		**1653,76,13,301**	**1594,29,30,024**
IV	**EXPENSES**			
	(a) Cost of materials consumed	19	716,83,00,302	693,34,40,348
	(b) Purchases of stock-in-trade		246,13,23,335	237,73,81,589
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	20	(12,48,35,468)	(33,85,35,456)
	(d) Employee benefits expense	21	125,65,39,715	113,56,46,569
	(e) Finance costs	22	16,55,21,583	15,72,10,328
	(f) Depreciation and amortisation expense	01 & 28	26,82,69,869	31,85,72,263
	(g) Other expenses	23	402,86,66,353	405,96,70,382
	Total Expenses (IV)		**1522,37,85,689**	**1464,33,86,023**
V	**Profit before tax (III - IV)**		**131,38,27,612**	**129,95,44,001**
VI	**Tax Expense**			
	(a) Current tax		33,78,60,855	46,66,59,977
	(b) Taxation for earlier years		(16,19,521)	12,63,553
	(c) Deferred tax		(2,92,95,346)	(1,55,30,397)
	Total tax expense		**30,69,45,988**	**45,23,93,133**
VII	**Profit for the year (V-VI)**		**100,68,81,624**	**84,71,50,868**
VIII	**Other Comprehensive Income / (loss)**			
	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement loss of defined benefit plans		(2,23,75,800)	(4,58,10,991)
	(b) Fair value changes of investments in equity shares		(29,75,500)	21,64,000
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss		20,63,502	1,60,92,667
	Total Other comprehensive loss for the year		**(2,32,87,798)**	**(2,75,54,324)**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**98,35,93,826**	**81,95,96,544**
X	**Earnings per equity share**			
	Basic and Diluted [Face value of ₹ 10 each] (PY: Face value of ₹ 10 each)	38	48.18	40.53
	Notes forming part of financial statements	(1 - 40)		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

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

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2020 ₹

Particulars	Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2019 ₹

Particulars	Balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
Equity Share Capital	20,90,00,000	—	20,90,00,000

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2020 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2019	**178,20,26,966**	**142,33,53,424**	**75,73,04,560**	**1,15,84,500**	**397,42,69,450**
Profit for the year	100,68,81,624	—	—	—	**100,68,81,624**
Dividend (Including dividend distribution tax)	(30,73,91,889)	—	—	—	**(30,73,91,889)**
Fair value loss on equity instrument	–	—	—	(29,75,500)	**(29,75,500)**
Remeasurement loss on defined benefit plans	(2,03,12,298)	—	—	—	**(2,03,12,298)**
Balance as at 31 March 2020	**246,12,04,403**	**142,33,53,424**	**75,73,04,560**	**86,09,000**	**465,04,71,387**

As at 31 March 2019 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2018	113,08,88,395	142,33,53,424	75,73,04,560	94,20,500	**332,09,66,879**
Profit for the year	84,71,50,868	—	—	—	**84,71,50,868**
Dividend (Including dividend distribution tax)	(16,62,93,973)	—	—	—	**(16,62,93,973)**
Fair value gain on equity instrument	—	—	—	21,64,000	**21,64,000**
Remeasurement loss on defined benefit plans	(2,97,18,324)	—	—	—	**(2,97,18,324)**
Balance as at 31 March 2019	**178,20,26,966**	**142,33,53,424**	**75,73,04,560**	**1,15,84,500**	**397,42,69,450**

Retained earnings: Retained earnings are profit that the Company has earned till date, less dividend or other distributions paid to shareholders. It also includes remeasurement gain / loss of defined benefit plans.

General Reserve: Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

Securities premium : Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013. There is no movement in securities premium during the current and previous year.

Investment revaluation reserve : The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar
June 23, 2020

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020

		April 2019 - March 2020 ₹	April 2018 - March 2019 ₹
A.	**Cash Flow from Operating activities:**		
	Profit before tax	131,38,27,612	129,95,44,001
	Adjustments for :		
	Depreciation and amortisation expense	26,82,69,869	31,85,72,263
	Credit balances written back	(1,82,36,704)	(1,36,14,802)
	Property, plant and equipment written off	22,67,695	1,89,57,147
	Dividend income	(1,00,000)	(65,000)
	Net gain on sale of property, plant and equipment	(15,40,789)	(12,00,865)
	Interest income	(68,11,998)	(61,61,384)
	Finance costs	16,55,21,583	15,72,10,328
	Unrealised gain on foreign exchange fluctuation	(93,87,374)	(39,22,184)
	Operating profit before working capital changes	**171,38,09,894**	**176,93,19,504**
	Adjustments for:		
	Increase in non-current / current financial and other assets	(42,29,08,835)	(26,11,77,304)
	Decrease / (Increase) in inventories	45,52,85,155	(94,28,74,344)
	Increase in non-current / current financial and other liabilities / provisions	8,26,37,815	17,71,83,011
	Cash generated from operations	**182,88,24,029**	**74,24,50,867**
	Income tax paid (net of refunds)	(36,82,39,835)	(44,20,66,949)
	Net Cash from Operating Activities A	**146,05,84,194**	**30,03,83,918**
B.	**Cash Flow from Investing Activities:**		
	Acquisitions of property, plant and equipment	(129,23,63,340)	(44,61,59,677)
	Proceeds on sale of property, plant and equipment	23,56,136	15,69,954
	Advance against sale of land	4,75,00,000	—
	Fixed deposits with bank	(1,31,587)	(51,61,298)
	Interest received	41,76,414	81,20,152
	Dividend received	1,00,000	65,000
	Net Cash used in Investing Activities B	**(123,83,62,377)**	**(44,15,65,869)**
C.	**Cash Flow from Financing Activities:**		
	Proceeds from borrowings	139,38,11,163	78,18,83,342
	Repayment of borrowings	(126,66,73,219)	(21,81,08,768)
	Payment of lease liabilities (including interest)	(2,17,13,379)	—
	Proceeds from government grant	1,53,67,107	91,12,034
	Interest paid	(14,34,05,765)	(15,75,36,104)
	Dividend paid (including dividend distribution tax)	(30,73,91,889)	(16,62,93,973)
	Net Cash (used in) / from Financing Activities C	**(33,00,05,982)**	**24,90,56,531**
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(10,77,84,165)	10,78,74,580
Opening Cash and Cash equivalents (Refer Note 9)		**11,55,20,315**	**76,45,735**
Closing Cash and Cash equivalents (Refer Note 9)		**77,36,150**	**11,55,20,315**

Note:

I) Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

ii) Figures in brackets represent cash outflows.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2019 ₹	Additions ₹	Deductions ₹	Cost / (Deemed Cost) as at 31 March 2020 ₹	Accumulated Depreciation as at 1 April 2019 ₹	Depreciation for the Year: Additions ₹	Depreciation for the Year: Disposals/ Deductions ₹	Accumulated Depreciation as at 31 March 2020 ₹	Net Carrying Value as at 31 March 2020 ₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412	–	–	18,67,412	–	–	–	–	18,67,412
	(18,67,412)	–	–	(18,67,412)	–	–	–	–	(18,67,412)
Buildings and Roads	72,50,81,520	21,94,02,932	–	94,44,84,452	17,41,54,312	2,17,23,700	–	19,58,78,012	74,86,06,440
	(59,96,25,145)	(12,56,27,529)	(1,71,154)	(72,50,81,520)	(5,57,70,956)	(11,85,54,510)	(1,71,154)	(17,41,54,312)	(55,09,27,208)
Plant and Machinery	181,72,03,866	30,22,08,488	9,39,93,922	202,54,18,432	47,21,16,898	17,01,27,852	9,11,41,063	55,11,03,687	147,43,14,745
	(166,31,29,607)	(22,10,94,207)	(6,70,19,948)	(181,72,03,866)	(36,63,63,848)	(15,40,73,343)	(4,83,20,293)	(47,21,16,898)	(134,50,86,968)
Railway Siding	1,34,48,476	–	–	1,34,48,476	57,79,896	14,44,974	–	72,24,870	62,23,606
	(1,34,48,476)	–	–	(1,34,48,476)	(43,34,922)	(14,44,974)	–	(57,79,896)	(76,68,580)
Furniture and Fixture	10,57,07,638	4,60,21,945	2,28,369	15,15,01,214	5,41,26,315	1,89,31,814	2,28,369	7,28,29,760	7,86,71,454
	(10,41,70,400)	(1,23,16,993)	(1,07,79,755)	(10,57,07,638)	(5,09,30,141)	(1,36,58,446)	(1,04,62,272)	(5,41,26,315)	(5,15,81,323)
Office Equipments	8,32,07,478	2,96,17,454	3,15,73,477	8,12,51,455	4,12,68,179	1,53,74,582	3,15,15,626	2,51,27,135	5,61,24,320
	(5,32,83,227)	(3,09,34,190)	(10,09,939)	(8,32,07,478)	(2,93,76,159)	(1,28,69,663)	(9,77,643)	(4,12,68,179)	(4,19,39,299)
Vehicles	2,58,69,187	2,45,32,680	13,53,955	4,90,47,912	5,02,247	90,25,937	11,81,623	83,46,561	4,07,01,351
	(2,02,15,024)	(1,22,59,720)	(66,05,557)	(2,58,69,187)	(12,93,526)	(55,37,476)	(63,28,755)	(5,02,247)	(2,53,66,940)
Total Property, plant and equipment	**277,23,85,577**	**62,17,83,499**	**12,71,49,723**	**326,70,19,353**	**74,79,47,847**	**23,66,28,859**	**12,40,66,681**	**86,05,10,025**	**240,65,09,328**
	(245,57,39,291)	**(40,22,32,639)**	**(8,55,86,353)**	**(277,23,85,577)**	**(50,80,69,552)**	**(30,61,38,412)**	**(6,62,60,117)**	**(74,79,47,847)**	**(202,44,37,730)**
1(b). Intangible Assets									
Development of Mines	2,88,33,293	–	–	2,88,33,293	1,77,88,365	44,47,092	–	2,22,35,457	65,97,836
	(2,88,33,293)	–	–	(2,88,33,293)	(1,33,41,274)	(44,47,091)	–	(1,77,88,365)	(1,10,44,928)
Software	4,31,23,731	1,46,28,651	–	5,77,52,382	2,14,87,842	84,82,863	–	2,99,70,705	2,77,81,677
	(3,71,51,441)	(59,72,290)	–	(4,31,23,731)	(1,35,01,082)	(79,86,760)	–	(2,14,87,842)	(2,16,35,889)
Total Intangible Assets	**7,19,57,024**	**1,46,28,651**	**–**	**8,65,85,675**	**3,92,76,207**	**1,29,29,955**	**–**	**5,22,06,162**	**3,43,79,513**
	(6,59,84,734)	(59,72,290)	–	(7,19,57,024)	(2,68,42,356)	(124,33,851)	–	(3,92,76,207)	(3,26,80,817)
Total (A+B)	**284,43,42,601**	**63,64,12,150**	**12,71,49,723**	**335,36,05,028**	**78,72,24,054**	**24,95,58,814**	**12,40,66,681**	**91,27,16,187**	**244,08,88,841**
As at 31 March 2019	(252,17,24,025)	(40,82,04,929)	(8,55,86,353)	(284,43,42,601)	(53,49,11,908)	(31,85,72,263)	(6,62,60,117)	(78,72,24,054)	(205,71,18,547)
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	**19,14,80,946**	**113,84,63,944**	**63,64,12,150**	**69,35,32,740**	**–**	**–**	**–**	**–**	**69,35,32,740**
	(5,24,26,028)	(54,72,59,847)	(40,82,04,929)	(19,14,80,946)	–	–	–	–	(19,14,80,946)
Total Assets									**313,44,21,581**
									(224,85,99,493)

Note :
(i) Figures in brackets relate to the previous year.
(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations.
(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.
(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12).
(v) Rs. 2,41,75,505 (Previous year - nil) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 8.50% (previous year - nil)
(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 4,08,57,115 (Previous year - nil)
(vii) Buildings and Roads, closing gross block Rs. 17,95,61,240 (Previous year - Rs. 10,15,24,536) and net carrying value Rs. 16,84,69,320 (Previous year - Rs. 9,28,29,625) include buildings leased out to employees for residential purposes.
(viii) Incentives amounting to Rs.1,53,67,107 (Previous year - Rs. 91,12,034) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	No. of equity shares	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
NOTE 02 : Investment in Associates			
Non-Current			
Investments in Associate Companies carried at Cost			
Investment in Equity Instrument (Unquoted)			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	13,82,61,575	13,82,61,575
b) Almora Magnesite Limited (Face value of ₹ 100 each, fully paid-up)	77,990	77,99,000	77,99,000
Total investments in Associates		**14,60,60,575**	**14,60,60,575**
Aggregate carrying value of unquoted investments		14,60,60,575	14,60,60,575
NOTE 03 : Investments			
Non-Current			
a) **Investment designated at fair value through Other Comprehensive Income**			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	*10,000	86,19,000	1,15,94,500
*(Previous year - 5,000 equity shares of ₹ 2 each fully paid up)			
b) **Investment in Equity Instrument (Unquoted)**			
Tata Construction and Projects Limited* (Face Value of ₹ 10 each fully paid up)	1,44,202	18,42,020	18,42,020
Less : Impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation.			
Total Investments		**86,19,000**	**1,15,94,500**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		86,19,000	1,15,94,500
Market Value		86,19,000	1,15,94,500
Aggregate amount of impairment in value of investment		18,42,020	18,42,020

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

04 Loans	As at 31 March 2020		₹	As at 31 March 2019		₹
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Security deposits	4,48,28,755	2,08,71,191	**6,56,99,946**	3,69,34,903	1,60,01,827	**5,29,36,730**
(b) Loans to employees	1,44,47,051	89,02,434	**2,33,49,485**	2,09,79,582	97,42,549	**3,07,22,131**
Total Loans	**5,92,75,806**	**2,97,73,625**	**8,90,49,431**	**5,79,14,485**	**2,57,44,376**	**8,36,58,861**

05 Other financial assets	As at 31 March 2020		₹	As at 31 March 2019		₹
Unsecured, considered good	Non current	Current	Total	Non current	Current	Total
(a) Interest accrued on deposits	23,92,625	27,49,667	**51,42,292**	–	25,06,708	**25,06,708**
(b) Earmarked balance with bank	3,22,61,298	–	**3,22,61,298**	3,22,61,298	–	**3,22,61,298**
Total Other financial assets	**3,46,53,923**	**27,49,667**	**3,74,03,590**	**3,22,61,298**	**25,06,708**	**3,47,68,006**

Earmarked balance with bank represent deposits not due for realisation within 12 months from the balance sheet date. These are primarily placed as margin money against issue of bank guarantees.

06 Other assets	As at 31 March 2020		₹	As at 31 March 2019		₹
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	10,54,04,575	–	**10,54,04,575**	44,83,105	–	44,83,105
(b) Advance with public bodies *	18,60,48,112	37,74,00,835	**56,34,48,947**	18,33,72,146	47,58,78,139	**65,92,50,285**
(c) Other advances (Unsecured, considered good)**	65,07,188	11,95,75,391	**12,60,82,579**	66,50,658	11,55,70,430	**12,22,21,088**
(d) Other advances (Unsecured, considered doubtful)	1,03,13,821	–	**1,03,13,821**	1,03,13,821	–	**1,03,13,821**
Other assets	**30,82,73,696**	**49,69,76,226**	**80,52,49,922**	**20,48,19,730**	**59,14,48,569**	**79,62,68,299**
Less: Allowances for doubtful advances	1,03,13,821	-	1,03,13,821	1,03,13,821	–	1,03,13,821
Total Other assets	**29,79,59,875**	**49,69,76,226**	**79,49,36,101**	**19,45,05,909**	**59,14,48,569**	**78,59,54,478**

* Advance with public bodies primarily relate to duty credit entitlements and amounts paid under protest in respect of demands from regulatory authorities.

** Other advances include advances against supply of goods and services and advances paid to employees.

07 Trade receivables	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Unsecured, considered good	290,20,60,502	233,48,91,690
(b) Credit Impaired	1,00,90,265	2,14,09,392
	291,21,50,767	**235,63,01,082**
Allowance for credit losses	16,99,68,529	17,08,71,881
Total Trade receivables	**274,21,82,238**	**218,54,29,201**

There are no receivables which have significant increase in credit risk.

The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2020 is ₹ 100,89,99,537 (Previous year: ₹ 72,03,55,179)

The trade receivables from related parties amounting to ₹ 25,27,93,002 (Previous year - ₹ 8,66,45,917) are included in trade receivables. [Refer Note 37 (b)]

There are no outstanding debts due from directors or other officers of the Company.

Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note-12)

The details of movement in allowances for credit losses are as below:

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Balance at the beginning of the year	17,08,71,881	7,37,83,281
Additions during the year	2,05,06,040	9,70,88,600
Amount utilised during the year	(2,14,09,392)	–
Balance at the end of the year	**16,99,68,529**	**17,08,71,881**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

08 Inventories	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Raw materials	162,72,21,090	219,55,23,852
(b) Work-in-progress	21,85,48,381	24,04,39,963
(c) Finished goods	94,26,03,505	76,76,72,374
(d) Stock-in-trade	11,63,80,899	18,54,42,095
(e) Stores and spares	17,01,70,263	14,86,13,584
(f) Loose tools	43,05,075	36,74,336
(g) Fuel	6,09,33,224	5,40,81,388
Total Inventories	**314,01,62,437**	**359,54,47,592**

The value of inventories stated above is after adjustment of ₹ 1,62,72,698 (Previous year - ₹ 1,09,61,387) for write-downs to net realisable value and provision for slow moving and obsolete item is ₹ 58,57 547 (Previous year - ₹ 83,47,346).

Included above, goods in transit, finished goods of ₹ 3,27,23,293 (Previous year - ₹ 3,73,68,835)

The inventories have been hypothecated as security against certain bank borrowings (Refer Note-12)

09 Cash and Cash Equivalents	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Cash on hand	2,19,761	79,612
(b) Cheques on hand	7,794	–
(c) Balances with banks	75,08,595	11,54,40,703
Total Cash and cash equivalents	**77,36,150**	**11,55,20,315**

10 Other balances with bank	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Fixed deposits held as margin money *	18,31,587	17,00,000
(b) Unclaimed dividend**	24,566	6,30,370
Total Other balances with bank	**18,56,153**	**23,30,370**

* Fixed deposits held as margin money against issue of bank guarantees.

** Not available for use of the Company.

11 Equity Share Capital	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹ 10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

a) Rights, preference and restrictions attached to equity shares

i) The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. Holder of equity shares is entitled to one vote per share.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11 Equity Share Capital (Cont...)

b) Reconciliation of Share Capital

	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Number	Number	₹	₹
Opening Balance	2,09,00,000	2,09,00,000	20,90,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**2,09,00,000**	**20,90,00,000**	**20,90,00,000**

c) Shares held by holding company

	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Number	Number	₹	₹
Krosaki Harima Corporation - Japan				
Opening Balance	1,62,22,864	1,06,59,000	16,22,28,640	10,65,90,000
Addition during the year*	—	55,63,864	—	5,56,38,640
Closing Balance	**1,62,22,864**	**1,62,22,864**	**16,22,28,640**	**16,22,28,640**

* On 31 December 2018, Krosaki Harima Corporation acquired 26.62% share of the Company from Tata Steel Limited.

d) Details of shareholders holding more than 5% shares in the Company is as below:

Name of the Share holders	As at 31 March 2020		As at 31 March 2019	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation -Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

e) Other Equity

1) Retained earnings

	As at 31 March 2020	As at 31 March 2019
	₹	₹
Balance at the beginning of the year	178,20,26,966	113,08,88,395
Profit for the year	100,68,81,624	84,71,50,868
Dividend (Including dividend distribution tax)	(30,73,91,889)	(16,62,93,973)
Remeasurement loss on defined benefit plans	(2,03,12,298)	(2,97,18,324)
Balance at the end of the year	**246,12,04,403**	**178,20,26,966**

2) General Reserve

	As at 31 March 2020	As at 31 March 2019
	₹	₹
Balance at the beginning of the year	142,33,53,424	142,33,53,424
Balance at the end of the year	**142,33,53,424**	**142,33,53,424**

3) Securities premium

	As at 31 March 2020	As at 31 March 2019
	₹	₹
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

4) Investment revaluation reserve

The details of movement in investment revaluation reserve are as below:

	As at 31 March 2020	As at 31 March 2019
	₹	₹
Balance at the beginning of the year	1,15,84,500	94,20,500
Other comprehensive (loss)/income recognised during the year	(29,75,500)	21,64,000
Balance at the end of the year	**86,09,000**	**1,15,84,500**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11 Equity Share Capital (Cont...)

5) Dividends

The following dividends were declared and paid by the Company during the year

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
₹ 12.20 per equity shares (Previous year - ₹ 6.60 per share)	25,49,80,000	13,79,40,000
Dividend distribution tax (DDT) on dividend to equity shareholders	5,24,11,889	2,83,53,973
	30,73,91,889	**16,62,93,973**

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
₹ 14.50 per equity shares (Previous year: ₹ 12.20)	30,30,50,000	25,49,80,000

6) Remeasurement on defined benefit plans

Remeasurement gain/ (loss) on defined benefit plans includes actuarial gain / (loss) arising on defined benefit plans of Company (net of taxes).

12 Borrowings

₹

	As at 31 March 2020			As at 31 March 2019		
	Non-Current	Current	Total	Non-Current	Current	Total
A. Secured Borrowings						
(a) Term Loan*						
From Bank	87,17,20,000	—	87,17,20,000	—	—	—
(b) Loan from Banks**						
(i) Working Capital Demand Loans	—	18,00,00,000	18,00,00,000	—	—	—
(ii) Cash Credit (repayable on demand)	—	14,43,38,227	14,43,38,227	—	15,95,48,851	15,95,48,851
(iii) Packing Credits	—	54,65,34,504	54,65,34,504	—	64,34,18,645	64,34,18,645
Total Secured Borrowings	**87,17,20,000**	**87,08,72,731**	**174,25,92,731**	**—**	**80,29,67,496**	**80,29,67,496**
B. Unsecured Borrowings						
(a) Loan from banks						
(i) Working Capital demand loans	—	40,00,00,000	40,00,00,000	—	135,00,00,000	135,00,00,000
(ii) Packing Credits	—	91,01,042	91,01,042	—	3,71,60,784	3,71,60,784
(b) Loan from Related Party [Refer Note 37 (b)]	—	17,99,86,223	17,99,86,223	—	—	—
Total Unsecured Borrowings	**—**	**58,90,87,265**	**58,90,87,265**	**—**	**138,71,60,784**	**138,71,60,784**
Total Borrowings	**87,17,20,000**	**145,99,59,996**	**233,16,79,996**	**—**	**219,01,28,280**	**219,01,28,280**

*** Term Loan from State Bank of India- SME Branch, Rourkela**

Secured by first charge over the proposed fixed assets of the Company for which term loan is taken and first pari-passu charge on existing fixed assets including factory land and building.

Term loan is repayable in 16 quarterly installments, starting from June 2021 and last installment in March 2025. Interest is paid as and when due for payment.

**** Current Borrowings**

Secured by hypothecation of stock of raw materials, stores and consumables, stock-in-process, finished goods, receivables and other current assets, both present and future, by way of pari-passu first charge and second charge over property, plant and equipment.

Packing credits are repayable within maximum tenure of 180 days .

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

13. Trade Payables	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	2,78,13,667	28,10,866
The amounts due to Micro and Small Enterprises, as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)", have been determined to the extent that such parties have been identified on the basis of information available with the Company. The details are tabulated below:		
1. The principal amount remaining unpaid to supplier as at the end of the year	2,78,13,667	28,10,866
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	1,90,17,16,100	1,68,46,25,391
(ii) Creditors for accrued wages and salaries	8,81,37,955	9,42,75,793
(iii) Acceptances	13,28,06,281	30,17,32,871
Total dues of creditors other than micro enterprises and small enterprises	**212,26,60,336**	**208,06,34,055**

14. Other financial liabilities	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Interest accrued and due on borrowings	72,71,116	–
(b) Interest accrued but not due on borrowings	9,42,591	11,827
(c) Unpaid dividends	24,566	6,30,370
(d) Derivative liabilities	35,23,863	70,09,881
(e) Creditors for capital goods	7,63,47,766	11,39,58,585
Total Other financial liabilities	**8,81,09,902**	**12,16,10,663**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

15. Provisions

	As at 31 March 2020			As at 31 March 2019		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	18,83,13,935	8,05,44,978	26,88,58,913	14,61,94,100	7,13,39,640	21,75,33,740
(b) Provision for retirement benefits [Refer Note 30(2)]	13,36,21,659	76,17,976	14,12,39,635	13,13,73,236	74,04,675	13,87,77,911
(c) Provision for employee separation compensation	7,87,682	8,06,325	15,94,007	13,41,916	11,24,357	24,66,273
(d) Other provisions**	63,22,699	–	63,22,699	63,22,699	31,91,881	95,14,580
Total Provisions	**32,90,45,975**	**8,89,69,279**	**41,80,15,254**	**28,52,31,951**	**8,30,60,553**	**36,82,92,504**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.
** Other provisions include provisions for Octroi, holding tax, license fees and water cess.

The details of movement in other provisions is as below:

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Balance at the beginning of the year	95,14,580	3,68,56,759
Add : Provision recognised during the year	31,91,850	31,91,879
Less : Amount utilised during the year	63,83,731	3,05,34,058
Balance at the end of the year	**63,22,699**	**95,14,580**

16. Other Liabilities

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Advances received from customers	8,25,10,876	3,67,51,255
(b) Advance against sale of land	4,75,00,000	–
(c) Employee recoveries and employer contributions	93,10,284	1,30,36,165
(d) Statutory dues *	18,12,49,336	22,62,78,200
Total Other liabilities	**32,05,70,496**	**27,60,65,620**

*Statutory dues primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

17. Revenue from Operations

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a) Sale of products	1457,40,67,660	1486,12,50,644
(b) Income from sale of services	173,24,85,719	81,77,62,994
(c) Other operating revenue*	20,43,70,431	24,28,74,335
Total Revenue from operations	**1651,09,23,810**	**1592,18,87,973**

* Includes export incentives of ₹ 10,90,43,182 (Previous year ₹ 11,43,83,846) on account of Duty Draw Back and Merchandise Export from India Scheme.

18. Other income

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a) Dividend income	1,00,000	65,000
(b) Net gain on sale of property, plant and equipment	15,40,789	12,00,865
(c) Credit balances written back	1,82,36,704	1,36,14,802
(d) Interest income	68,11,998	61,61,384
Total Other income	**2,66,89,491**	**2,10,42,051**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

19. Cost of materials consumed	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Opening stock	219,55,23,852	162,98,92,779
Add: Purchases	659,99,97,540	749,90,71,421
	879,55,21,392	912,89,64,200
Less: Closing stock	162,72,21,090	219,55,23,852
Cost of materials consumed	**716,83,00,302**	**693,34,40,348**

20. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Inventories at the end of the year		
Finished goods	94,26,03,505	76,76,72,374
Stock-in-trade	11,63,80,899	18,54,42,095
Work-in-progress	21,85,48,381	24,04,39,963
Total Inventories at the end of the year	**127,75,32,785**	**119,35,54,432**
Inventories at the beginning of the year		
Finished goods	76,76,72,374	55,51,94,710
Stock-in-trade	18,54,42,095	11,16,92,401
Work-in-progress	24,04,39,963	18,81,31,865
Total Inventories at the beginning of the year	**119,35,54,432**	**85,50,18,976**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**8,39,78,353**	**33,85,35,456**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	4,08,57,115	–
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**12,48,35,468**	**33,85,35,456**

21. Employee benefits expenses

(a) Salaries, wages and bonus	106,82,26,726	96,28,69,967
(b) Employee separation compensation	3,59,844	19,79,745
(c) Contribution to provident and other funds	11,25,61,210	9,75,36,301
(d) Staff welfare expenses	7,53,91,935	7,32,60,556
Total Employee benefits expense	**125,65,39,715**	**113,56,46,569**

22. Finance costs

(a) Interest expense		
(1) Interest on fixed loans	11,42,46,888	8,65,65,462
(2) Interest on other loans	5,91,19,679	6,84,18,686
(3) Interest on lease liabilities	1,39,13,938	–
(b) Other borrowing costs	24,16,583	22,26,180
Less: Interest capitalised	2,41,75,505	–
Total Finance costs	**16,55,21,583**	**15,72,10,328**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

23	Other Expenses	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a)	Stores and spares consumed	31,95,69,970	33,96,90,204
(b)	Repairs to buildings	22,57,09,879	23,68,42,324
(c)	Repairs to machinery	29,76,22,815	28,02,59,595
(d)	Contractors charges for refractories management	27,76,52,155	25,29,13,907
(e)	Fuel consumed	83,72,69,213	91,91,85,181
(f)	Purchase of power	23,46,38,780	23,84,76,535
(g)	Conversion and processing charges	23,17,31,893	20,68,94,696
(h)	Freight and handling charges	80,96,59,876	77,22,40,275
(I)	Rent	3,82,72,660	4,57,72,949
(j)	Royalty	9,19,00,692	7,38,76,523
(k)	Rates and taxes	1,83,09,941	1,59,59,937
(l)	Insurance charges	94,78,906	53,57,001
(m)	Commission expenses	12,08,69,635	13,72,84,257
(n)	Net loss on foreign currency transactions	5,95,10,511	6,80,88,835
(o)	Legal and other professional costs	15,09,95,603	13,55,77,906
(p)	Travelling expenses	16,16,27,530	17,26,43,225
(q)	Others (Refer note below)	14,38,46,294	15,86,07,032
Total Other expenses		**402,86,66,353**	**405,96,70,382**

Note:

Other includes:

		April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(i)	Payment to Auditors :		
a)	Services as Auditors (including for audit in terms of Section 44AB of the Income Tax Act, 1961 ₹ 2,00,000 [(Previous Year ₹ 2,00,000)]	25,00,000	25,00,000
b)	Fees for other services	3,50,000	11,38,842
c)	Out-of pocket expenses	1,33,912	1,56,131
		29,83,912	**37,94,973**
(ii)	Cost audit fees [Including expenses ₹ 12,773 (Previous year: ₹ 8,345)]	1,22,773	1,18,345

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 1,75,12,523 (fully paid) [Previous year: ₹ 1,04,66,626 (fully paid)].

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities as per section 135 of the Companies Act, 2013 was ₹ 1,71,00,099 (Previous year: ₹ 99,90,426).

No capital expenditure on Corporate Social Responsibility (CSR) has been incurred during the year and in previous year.

(iv) Property, plant and equipment amounting to ₹ 22,67,695 written off during the year (Previous Year: ₹ 1,89,57,147).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 24 ACCOUNTING POLICIES

1) Company Information

TRL Krosaki Refractories Limited (“the Company”) is a public limited company incorporated in India with its registered office situated at Belpahar, Jharsuguda District, Odisha, India.

The Company is primarily engaged in the business of manufacturing of wide range of refractories like Basic, Dolomite, High Alumina, Monolithic, Silica, Flow Control and Tap Hole Clay and providing refractories engineering and management services.

The financial statements as at 31 March 2020 present the financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee (Rs.), which is the currency of the primary economic environment in which the Company operates.

As at 31 March 2020, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company’s operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, and other provisions of the Act , as amended from time to time.

The financial statements of the Company for the year ended 31 March 2020 were approved for issue in accordance with the resolution of the Board of Directors on 23 June 2020.

b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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.

c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in the estimates are made as management becomes aware of such changes. The changes in estimates are recognised in the period in which the estimates are revised.

Significant judgements and estimates relate to the following-

i. carrying values of assets and liabilities include useful lives of tangible and intangible assets

ii. provision for employee benefits and other provisions

iii. commitments and contingencies and measurement of fair values; and

iv. valuation of deferred tax assets / liabilities

Estimation uncertainty relating to the global health pandemic on COVID-I9

In assessing the recoverability of receivables, assets, intangible assets, and certain investments, the Company has considered internal and external information upto the date of approval of these standalone financial statements. The Company has performed analysis and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted significantly by COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

d) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as incurred. When a replacement occurs, the carrying amount of the replaced part is de- recognised.

Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset. Deemed cost represents the carrying value of the property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The gain or loss arising on disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying value of such item and is recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital Work-in-Progress”.

e) Intangible assets

Cost incurred for Development of mines and software are recognized in the Balance Sheet as intangible assets when it is probable that associated future economic benefits would flow to the company and its cost can be measured reliably. These are initially measured at purchase cost and then amortised on a straight line basis over their estimated useful lives. All other costs on development of mines and software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

f) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation or amortisation is provided under the straight line method, based on the estimated useful life, as determined by technical evaluation of the useful life of the assets, in terms of Schedule II to the Companies Act, 2013.

Assets individually costing up to Rs.25,000 are fully depreciated or amortized in the year of acquisition.

Freehold Land is not depreciated.

The charge of depreciation or amortization commences from the date the assets are available for their intended use. Depreciation on assets under construction commences only when the assets are ready for their intended use. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives of assets and residual values are reviewed periodically and, adjusted if appropriate at the end of reporting period.

As the estimated useful life of some of the assets is significantly different from the useful life given in the Schedule II to Companies Act, 2013, the useful life of the assets has been assessed based on the number of years for which the assets have already been put to use and the estimated minimum balance period for which the assets can be used in the Company. The residual values are not more than 5% of the original cost of the asset.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Sl No	Class of Assets	Estimated Useful Life (in years)
I	**Buildings and Roads**	
	Roads	10
	Factory Buildings and Reservoir	30
	Other Buildings (RCC Structure)	60
II	**Plant and Machinery**	
	Grinder	8 to 15
	Mixture, Press Drying Chambers, Shuttle Kiln	10 to 15
	Gas Producer, Kiln and Shaft Kiln	25
	Kiln Car	10
	Workshop Equipment	10 to 15
	Research and development equipment	10
	Gunning Machine, Mixture Machine and other equipment used at Customer site.	5 to 8
	Other Equipment	5 to 15
III	**Railway Siding**	15
IV	**Furniture and Fixture and Office Equipment**	
	Furniture fittings, office equipment, computer, cinema and audio visual equipment	5
	Hospital canteen equipment, electric fittings	10
V	**Vehicles**	
	Motor car, Jeep, motor cycle	5
	Motor Lorry and mobile equipment	8
VI	**Intangible Assets**	
	Software	10
	Development of mines	10 years or lease period whichever is less

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

g) Impairment

At each Balance Sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible asset 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 of an asset (or a cash generating unit) is the higher of fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset 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.

An impairment loss recognized in prior accounting periods is reviewed at each Balance Sheet date to assess whether there is any indication that the impairment loss recognized may no longer exist or may be decreased.

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 recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

h) Leases

The Company as lessee

The Company's lease asset classes primarily consist of leases for buildings. 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 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 in which it is a lessee, 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 include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. 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.

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 weighted average incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Under the erstwhile standard Ind AS 17, operating lease payments as per terms of the agreement, were recognised as an expense in the Statement of Profit and Loss on a straight line basis, except where another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Effective April 1,2019, the Company adopted Ind AS116 'Leases" and applied the standard to lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the lease liabilities is recognized at the present value of lease payment discounted at the weighted average incremental borrowing rate and same amount is recognized for ROU assets. Comparatives as at and for the year ended March 31, 2019 have not been restated.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and low value leases on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash out flows from financing activities on account of lease payments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1,2019 is 6.85%.

Refer note-28 for impact of Ind AS 116.

i) Investment in associates

Investments in associates are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

j) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

I. Financial assets

Cash and bank balances

Cash and bank balances consist of:

Cash and cash equivalents - which includes cash in hand, cheques in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than 3 months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other balances with bank- which includes balances and deposits with banks having maturity of more than three months but less than 12 months and are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:

These financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

The Company in respect of certain equity instruments which are not held for trading, has made an irrevocable election to present subsequent changes in the fair value of such equity instruments in other comprehensive income.

Impairment of financial assets

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

Loss allowance for financial asset measured at amortised cost is deducted from gross carrying amount of asset.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

ii. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

A financial liability is classified at fair value through profit and loss account, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

Offsetting

Financial assets and financial liabilities are off set and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to release the asset and settle the liability simultaneously.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange. The instruments are confined principally to forward foreign exchange contracts.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The fair values for forward currency contracts are marked to market at the end of each reporting period. The Company adopts hedge accounting for forward foreign exchange contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied, the Company treats the hedge relationship in relation to foreign currency exposure as fair value hedges of recognised assets and liabilities. Changes in fair value of the hedged assets and liabilities, attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of the symmetrical changes in the fair value of the derivatives.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Statement of Profit and Loss for the period.

k) Employee benefits

The Company's retirement benefit obligation are subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's Balance Sheet and the statement of profit and loss. The Company sets these judgement based on previous experience and third party actuarial advice.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Defined contribution plans

Payments to defined contribution plans such as Company's Provident Fund, Super Annuation Fund, Employee Pension Scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs, UK (HMRC) are charged as an expense as they fall due. Payments made to above schemes are dealt with as payments to defined contribution schemes, as the Company has no further defined benefit obligation beyond the monthly contribution except for the contribution to Provident Fund Trust which require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

Defined benefit plans

Post Retirement Gratuity

For post-retirement gratuity schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense, when the plan amendment or curtailment occurs, or when any related restructuring cost or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined-benefit obligation, as reduced by the fair value of plan assets.

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

Pension payable to directors after their retirement as per the contractual agreement are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the compensated absence is recognised immediately in Statement of Profit and Loss.

Employee Separation Scheme

Compensation to employees who have opted for retirement under the Friendly Departure Scheme of the Company is charged off in the year in which the employee is relieved from the services of the Company.

l) Inventories

I. **Raw materials, Stores and Spares, Loose Tools and Fuel**

Raw materials, stores and spares, loose tools and fuel are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, stores and spares, loose tools and fuel held for use in the production of finished products are not written down below cost except in cases where material prices have declined or the cost of the finished products has exceeded its net realisable value.

ii. **Finished goods**

These are valued at lower of cost and net realisable value. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of inventories is generally ascertained on weighted average basis.

iii. **Work in Progress**

These are valued at cost. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv. **Stock-in-trade**

These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Provisions are made for slow moving and obsolete items based on historical experience of utilization on a product category basis and ageing policy as defined by the Company.

m) Cash Flow Statement

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

n) Non-Current assets held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are not depreciated or amortised.

o) Provisions (other than employee benefits) and contingent liabilities

Provisions are recognised in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

i. by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

ii. as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

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

The Company does not recognise a Contingent Liability but discloses its existence in the Financial Statements.

p) Income taxes

Income tax comprises current and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value 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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid 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. MAT is recognised as deferred tax assets in the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

q) Revenue recognition

Effective 01 April 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers”. The core principle of the new standard was that the revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

The company derives revenue primarily from sale of refractories and installation & maintenance services. Revenue is recognised when the customer obtains the control of the goods & services as per the terms & condition of the contracts. Company determines at contract inception whether each performance obligation will be satisfied (i.e. Control will be transferred) over time or at a point in time.

- Revenue from material supply is recognised on transfer of control over the product.
- Revenues from service contracts is recognised on completion of performance obligation.

Interest Income

Interest income is accrued on a time proportion basis by reference to the principle outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

Rental Income

Rental income is recognised on a straight line basis over the term of the relevant arrangements.

Commission Income

Commission income is recognised when the services have been rendered.

Export incentives

Export incentives under the Duty Drawback Scheme are recognized on the basis of credits given in the bank or on receipt of duty credit scrips.

r) Government Grants

Government grants related to expenditure on property, plant and equipment are deducted from the cost of the property, plant and equipment in calculating the carrying amount of the asset.

s) Foreign currency transactions and translation

The financial statements of the Company are presented in Indian Rupees (Rs), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the entity’s functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period.

Exchange differences arising on translation or settlement of long-term foreign currency monetary items is accounted in the statement of profit and loss for the period.

t) Borrowing Costs

Borrowings 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, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

u) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

25 Contingent Liabilities

Contingent liabilities in respect of –	As at 31 March 2020	As at 31 March 2019
Claims against the Company not acknowledged as debts in respect of –		
– Income tax matters	20,59,59,575	20,59,59,575
– Sales tax / value added tax / entry tax matters	10,26,09,485	11,35,14,487
– Excise duty matters	4,70,65,166	4,00,13,670
– Other matters	5,73,78,893	1,78,07,203

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

In the ordinary course of business, the Company faces claims and assertions by various parties. The following is a description of claims and assertions where a potential loss is possible but not probable. There are claims which the Company does not believe to be of material nature, other than those described below:

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31, 2020, there are matters and/or disputes pending in appeal amounting to ₹ 20,59,59,575 (Previous Year - ₹ 20,59,59,575).

Sales tax /value added tax/ entry tax/ Excise duty matters

The Company has demands that are being contested by the Company in different years amounting to ₹ 14,96,74,651 (Previous Year - ₹ 15,35,28,157). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur Circle had raised a demand of ₹ 5.39 Cr on 26.08.2019 for excess production of Quartzite, a minor mineral under MMDR Act, during 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demand of Mining Department, Govt. of Odisha through a Writ petition before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. In view of this the Company is of the view that it has a strong case to contest on merit.Based on the legal opinion obtained by the Company and as per the management assessment of the case, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company.

Other Claims

Other civil cases for which the Company may contingently be liable aggregate to ₹ 34,07,203 (Previous Year - ₹ 49,07,203).

26 Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of ₹ 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2020 is ₹ 65,75,31,550. The total disputed demand, together with interest as on 31 March 2020 is ₹ 66,33,09,150. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an order that compound interest @ 2% will not be allowed to charge until further orders. During the year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the assessment made by the Company, as per the above order, the amount required to be paid, if any, will not be material.

27 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid ₹ 95,37,77,114 (Previous Year - ₹ 21,46,16,738).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

28 Company as a Lessee

Following are the changes in the carrying value of right-of- use assets for the year ended March 31, 2020.

Particulars	Buildings
Balance as of April 1, 2019	—
Reclassified on account of adoption of Ind AS 116 as at 1 April 2019	20,05,47,424
Additions	26,57,221
Deletion	—
Depreciation	1,87,11,055
Balance as of March 31,2020	**18,44,93,590**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at 31 March 2020
Current lease liabilities	99,51,139
Non-current lease liabilities	18,54,54,065
Total	**19,54,05,204**

The following is the movement in lease liabilities during the year ended March 31, 2020.

Particulars	As at 31 March 2020
Balance as of April 1, 2019	**—**
Reclassified on account of adoption of Ind AS 116 as at 1 April 2019	20,05,47,424
Additions	26,57,221
Finance cost accrued during the year	1,39,13,938
Deletion	—
Payment of lease liabilities	2,17,13,379
Balance as of March 31,2020	**19,54,05,204**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31 March 2020
Less than one year	2,35,02,793
One to five years	9,83,28,039
More than five years	18,64,68,628
Total	**30,82,99,460**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company incurred ₹ 3,82,72,660 for the year ended 31 March 2020 towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is ₹ 5,99,86,039 for the year ended 31 March 2020, including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accommodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to ₹ 1,78,68,317 (previous year ₹ 1,73,35,163) included in note 17(c)

29 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

30 Employee Benefits

The relevant details with respect to employee benefits are given here below:

(1) Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to the schemes represents the value of contributions payable during the period by Company at rates specified by the rules of those plans.

a) Provident Fund and Employees Pension Fund

In accordance with the prevailing Indian law, eligible employees of the Company are entitled to receive benefits in respect of Provident Fund, a defined contribution plan, in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

As per the provisions of the Provident Fund and Miscellaneous Provisions Act, 1952 contribution to Provident Fund is made to an irrevocable trust set up by the Company and contribution to pension fund is deposited with the Regional Provident Fund Commissioner. The rules of the Company's provident fund administered by a trust, require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

b) Superannuation Fund

The Company has a superannuation plan. Employees who are members of the superannuation plan are entitled to benefits depending on the contribution made by Company and rate of interest declared by the superannuation trust. A separate irrevocable trust is maintained for employees covered and entitled for this benefit. The Company contributes 15% of basic salary, of the eligible employees' to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c) Other funds

The Company contributes to the Employees State Insurance scheme as per the provisions of Employees State Insurance Act, 1948 and to Her Majesty's Revenue and Customs, UK as per provisions laid down by the UK Government for the social security and welfare of the employees.

d) Expenses recognized in respect of above

The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2020, an amount of ₹ 9,05,82,210 (Previous Year: ₹ 7,96,74,006) being expenses under the defined contribution plans, as given below:

Benefit (Contribution to)	April 2019 to March 2020	April 2018 to March 2019
Company's Provident Fund contribution to trust	3,38,18,985	2,93,89,578
Superannuation Fund	3,65,46,307	3,19,07,019
Employee Pension Scheme	1,89,16,083	1,71,86,459
Employee state insurance scheme	54,745	61,070
Her Majesty's Revenue and Customs, UK	12,46,090	11,29,880
	9,05,82,210	7,96,74,006

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides lump-sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

b) Unfunded:

(i) Post Retirement Medical Benefits

The Company has a Post-Retirement Medical Benefit Scheme (PRMB), under which the retired employees and their spouses are eligible for free medical benefits in the Company's hospital during their lifetime upto a ceiling fixed by the Company. The liability for the same is recognized annually on the basis of actuarial valuation.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(ii) Pension to Directors

The Company has Ex-MD Pension Scheme, under which the retired managing director gets a monthly pension. The liability for the same is recognized annually on the basis of actuarial valuation. The Company is exposed to the increase in the pension amount in each 3 years.

c) i)	Details of the Post Retirement Gratuity plan are as follows:	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	30,45,52,567	25,97,49,040
2.	Current Service Cost	1,92,64,680	1,47,26,730
3.	Interest Cost on the defined benefit obligation	2,06,15,020	1,82,14,570
4.	Actuarial (gains)/ losses - Experience	(11,82,230)	1,67,21,670
5.	Actuarial losses - Financial Assumptions	1,64,69,260	2,93,31,063
6.	Benefits paid from plan assets	(2,54,15,890)	(3,41,90,506)
7.	Closing Present Value of defined benefit obligation	**33,43,03,407**	**30,45,52,567**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	27,67,78,084	22,28,93,200
2.	Interest Income on Plan Assets	2,10,39,100	1,80,75,390
3.	Employer contributions	4,00,00,000	7,00,00,000
4.	Return on plan assets greater than discount rate	–	–
5.	Benefits paid	(2,54,15,890)	(3,41,90,506)
6.	Fair Value of Plan assets at the end of current year	**31,24,01,294**	**27,67,78,084**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	31,24,01,294	27,67,78,084
2.	Present value of obligation	33,43,03,407	30,45,52,567
3.	Amount recognized in the balance sheet	**2,19,02,113**	**2,77,74,483**
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	1,92,64,680	1,47,26,730
2.	Net interest on net defined benefit liability	(4,24,080)	1,39,180
3.	Total expenses included in employee benefits expense	**1,88,40,600**	**1,48,65,910**
V.	**Recognized in other comprehensive income for the year**		
1.	Actuarial (gains)/ losses due to defined benefit obligation experience	(11,82,230)	1,67,21,670
2.	Actuarial loss due to defined benefit obligation financial assumption changes	1,64,69,260	2,93,31,063
3.	Return on plan assets greater than discount rate	–	–
4.	Actuarial loss recognized in other comprehensive income	**1,52,87,030**	**4,60,52,733**
VI.	**Maturity profile of defined benefit obligation**		
1.	Within the next 12 months (next annual reporting period)	3,44,08,170	4,62,32,050
2.	Between 2 and 5 years	12,29,96,770	13,09,33,070
3.	Between 6 and 10 years	18,94,51,600	16,15,74,250
VII.	**Quantitative sensitivity analysis for significant assumption is as below**		
1.	**Increase/ (decrease) on present value of defined benefits obligation at the end of the year**		
(i)	One percentage point increase in discount rate	(2,34,77,820)	(1,99,55,590)
(ii)	One percentage point decrease in discount rate	2,82,95,900	2,30,35,800
(i)	One percentage point increase in rate of salary increase	2,78,99,890	2,28,22,860
(ii)	One percentage point decrease in rate of salary increase	(2,35,96,130)	(2,01,41,980)

2. Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

VIII. Investment Details

The full amount has been invested in the Cash Accumulation Scheme of Life Insurance Corporation of India.

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
IX. Assumptions		
a. Discount rate (per annum)	**6.75%**	7.50%
b. Rate of escalation in salary (per annum)	**7.50%**	7.50%

ii) Details of non-funded post retirement defined benefit obligations are as follows:

Description	April 2019 to March 2020 ₹		April 2018 to March 2019 ₹	
	Medical	**Ex-MD Pension**	**Medical**	**Ex-MD Pension**
I. Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	6,76,13,963	4,33,89,465	6,78,56,820	4,14,98,220
2. Current Service Cost	12,90,000	–	17,91,960	–
3. Interest Cost on the defined benefit obligation	48,86,080	31,38,400	49,13,218	29,96,385
4. Actuarial (gains)/ losses - Experience	8,81,250	(35,46,040)	(22,53,602)	20,11,860
5. Actuarial losses- Financial Assumptions	56,71,880	40,81,680	–	–
6. Benefits paid directly by the Company	(49,32,355)	(31,36,800)	(46,94,433)	(31,17,000)
7. Closing Present Value of defined benefit obligation	**7,54,10,818**	**4,39,26,705**	**6,76,13,963**	**4,33,89,465**
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	12,90,000	—	17,91,960	—
2. Net interest on net defined benefit liability	48,86,080	31,38,400	49,13,218	29,96,385
3. Total expenses included in employee benefits expense	**61,76,080**	**31,38,400**	**67,05,178**	**29,96,385**
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/loss due to defined benefit obligation experience	8,81,250	(35,46,040)	(22,53,602)	20,11,860
2. Actuarial loss due to defined benefit obligation financial assumption changes	56,71,880	40,81,680	—	—
3. Actuarial (gains)/losses recognized in other comprehensive income	**65,53,130**	**5,35,640**	**(22,53,602)**	**20,11,860**
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	7.50%	7.50%	7.50%	7.50%
b. Discount rate (per annum) at the end of the year	6.75%	6.75%	7.50%	7.50%
c. Rate of pension increase	—	8.00%	—	8.00%
c. Medical costs inflation rate	4.00%	—	4.00%	—
d. Average Medical Cost (Rs./ person)	1,750	—	1,660	—
V. Quantitative sensitivity analysis for significant assumption is as below				
Increase/(decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(73,91,700)	(34,83,500)	(63,05,330)	(34,30,680)
(ii) One percentage point decrease in discount rate	89,88,020	40,08,100	75,95,920	39,48,090
(i) One percentage point increase in medical inflation rate	91,53,950	—	77,95,370	—
(ii) One percentage point decrease in medical inflation rate	(76,35,580)	—	(65,56,050)	—
(i) One percentage point increase in pension rate	—	39,19,400	—	38,06,650
(ii) One percentage point decrease in pension rate	—	(34,75,910)	—	(34,45,630)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	48,61,500	30,10,140	46,56,330	30,22,690
2. Between 2 and 5 years	2,14,69,960	1,25,58,300	2,05,63,830	1,31,02,220
3. Between 6 and 10 years	3,20,36,250	5,22,41,540	3,06,84,170	5,99,52,010

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

d) Risk exposure

Through its defined benefit plans, the Company is exposed to discount rate risk, salary growth risk, inflation risk, pension increment risk and demographic risks of mortality and attrition rates.

31 Income Taxes

a. A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Particulars	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Profit before tax	131,38,27,612	129,95,44,001
Less: Expenses recognized in other comprehensive income	2,23,75,800	4,58,10,991
Adjusted Profit before tax (A)	**129,14,51,812**	**125,37,33,010**
Tax rate (B)	25.168%	34.944%
Tax expense (A*B)	**32,50,32,592**	**43,81,04,463**
Add: Tax effect of expenses that are not deductible for tax purposes: CSR Expenses	44,07,902	36,57,458
Add: Taxation for earlier years	(16,19,521)	12,63,553
Less: Tax effect of Income exempt from tax: Dividend Income	(25,170)	(22,714)
Add: Additional tax expense (deferred tax expense) due to change in tax rate	(2,56,58,969)	—
Less: Other differences	27,45,652	(67,02,294)
Income tax expense charged to the Statement of Profit and Loss	**30,48,82,486**	**43,63,00,466**
Tax expense recognized in profit and loss	30,69,45,988	45,23,93,133
Income tax expenses recognized in Other Comprehensive Income	(20,63,502)	(1,60,92,667)
Income tax expense charged to the Statement of Profit and Loss	**30,48,82,486**	**43,63,00,466**

b. The tax effect of significant temporary differences that resulted in deferred tax liability are as follows:

Deductible temporary difference	**Balance sheet**		**Statement of profit and loss**		**Other comprehensive income**	
	As at 31 March 2020 ₹	As at 31 March 2019 ₹	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(i) Expense/ provision allowed on payment basis	5,48,33,734	11,05,58,930	(5,95,72,941)	(5,61,495)	38,47,745	1,60,92,667
(ii) Unpaid Royalty	2,09,33,734	1,25,44,084	83,89,650	(35,16,396)	—	—
(iii) Friendly departure scheme	14,42,207	28,80,077	(14,37,870)	(7,28,910)	—	—
(iv) Others	2,61,22,698	38,79,673	2,22,43,025	38,79,673	—	—
Total (A)	**10,33,32,373**	**12,98,62,764**	**(3,03,78,136)**	**(9,27,128)**	**38,47,745**	**1,60,92,667**
Taxable temporary difference						
Property, Plant and Equipment	16,19,25,214	22,15,98,696	(5,96,73,482)	(1,64,57,525)	—	—
Total (B)	**16,19,25,214**	**22,15,98,696**	**(5,96,73,482)**	**(1,64,57,525)**	—	—
Deferred Tax liability (B-A)	**5,85,92,841**	**9,17,35,932**	**(2,92,95,346)**	**(1,55,30,397)**	**(38,47,745)**	**(1,60,92,667)**

Net impact in Statement of Profit and Loss / Other Comprehensive Income *

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release of ₹ 38,47,745 (Previous year - ₹ 1,60,92,667) and current tax charge of ₹ 17,84,243 (Previous year - ₹ Nil).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

c. Reconciliation of deferred tax liability

Particulars	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Opening balance as at 1 April	9,17,35,932	12,33,58,996
Less: Deferred tax release during the year	(3,31,43,091)	(3,16,23,064)
Closing balance as at 31 March	**5,85,92,841**	**9,17,35,932**

32 Reconciliation of Liabilities from Financing activities as stated in the Statement of Cash Flows are as follows :

Particulars	Balance as at 1 April 2019	Cash Flows	Non-Cash Changes	Balance as at 31 March 2020
Borrowings	219,01,28,280	12,71,37,944	1,44,13,772	233,16,79,996
Total Liabilities from financing activities	**219,01,28,280**	**12,71,37,944**	**1,44,13,772**	**233,16,79,996**

Particulars	Balance as at 1 April 2018	Cash Flows	Non-Cash Changes	Balance as at 31 March 2019
Borrowings	162,63,53,706	57,95,36,962	(1,57,62,388)	219,01,28,280
Total Liabilities from financing activities	**162,63,53,706**	**57,95,36,962**	**(1,57,62,388)**	**219,01,28,280**

33 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, the 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 24 (2)(j) to the financial statements.

(a) Financial Instruments by Category

The following table presents carrying amount and fair value of each category of financial asset and liabilities.

As at 31 March 2020

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	274,21,82,238	—	—	274,21,82,238	274,21,82,238
Investments	—	86,19,000	—	86,19,000	86,19,000
Cash and bank balances	96,39,728	—	—	96,39,728	96,39,728
Loans	8,90,49,431	—	—	8,90,49,431	8,90,49,431
Other financial assets	3,73,56,165	—	—	3,73,56,165	3,73,56,165
Total	287,82,27,562	86,19,000	—	288,68,46,562	288,68,46,562
Financial liabilities					
Borrowings	233,16,79,996	—	—	233,16,79,996	233,16,79,996
Trade payables	215,04,74,003	—	—	215,04,74,003	215,04,74,003
Lease liabilities	19,54,05,204	—	—	19,54,05,204	19,54,05,204
Other financial liabilities	8,45,86,039	—	35,23,863	8,81,09,902	8,81,09,902
Total	476,21,45,242	—	35,23,863	476,56,69,105	476,56,69,105

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

As at 31 March 2019

Particulars	Amortised cost	Fair value through other comprehensive income	Derivative instruments	Total Carrying Value	Total Fair Value
	₹	₹	₹	₹	₹
Financial assets					
Trade receivables	218,54,29,201	—	—	218,54,29,201	218,54,29,201
Investments	—	1,15,94,500	—	1,15,94,500	1,15,94,500
Cash and bank balances	11,78,50,685	—	—	11,78,50,685	11,78,50,685
Loans	8,36,58,861	—	—	8,36,58,861	8,36,58,861
Other financial assets	3,47,68,006	—	—	3,47,68,006	3,47,68,006
Total	**242,17,06,753**	**1,15,94,500**	**—**	**243,33,01,253**	**243,33,01,253**
Financial liabilities					
Borrowings	219,01,28,280	—	—	219,01,28,280	219,01,28,280
Trade payables	208,34,44,921	—	—	208,34,44,921	208,34,44,921
Lease liabilities	—	—	—	—	—
Other financial liabilities	11,46,00,782	—	70,09,881	12,16,10,663	12,16,10,663
Total	**438,81,73,983**	**—**	**70,09,881**	**439,51,83,864**	**439,51,83,864**

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

As at 31.03.2020

Particulars	Carrying Amount Level 1	Level 2	Fair Value Level 3	
	₹	₹	₹	₹
Financial assets				
Investment - Equity share (HDFC Bank)	86,19,000	86,19,000	—	—
Financial liabilities				
Derivative liabilities - forward cover	35,23,863	—	35,23,863	—
As at 31 March 2019				
Financial assets				
Investment - Equity share (HDFC Bank)	1 ,15,94,500	1 ,15,94,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	70,09,881	—	70,09,881	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(c) Financial Risk Management Policies And Objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variables interest rates. Any movement in the reference rates could have an impact on the Company's cash flow as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

The non-derivative financial liabilities of the Company are all payable within 12 months. (Refer Note 13 and 14)

The following table shows a maturity analysis of the anticipated cash flows including future interest obligations for derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
Borrowings including interest obligations	233,16,79,996	257,86,95,957	153,40,56,196	104,46,39,761	—
	219,01,28,280	*219,01,28,280*	*219,01,28,280*	—	—
Trade payables	215,04,74,003	215,04,74,003	215,04,74,003	—	—
	208,34,44,921	*208,34,44,921*	*208,34,44,921*	—	—
Lease liabilities	19,54,05,204	30,82,99,460	2,35,02,793	9,83,28,039	18,64,68,628
	—	—	—	—	—
Other financial liabilities	8,45,86,039	8,45,86,039	8,45,86,039	—	—
	11,46,00,782	*11,46,00,782*	*11,46,00,782*	—	—
Derivative financial liabilities	35,23,863	35,23,863	35,23,863	—	—
	70,09,881	*70,09,881*	*70,09,881*	—	—

Note- Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

(d) Foreign Currency exposure as at 31 March 2020 ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	55,48,39,756	22,79,21,411	—	1,50,82,276	26,42,810	80,04,86,254
Bank balance in Current account	—	—	—	6,48,435	—	6,48,435
Other Assets	12,03,954	6,61,84,510	—	—	1,90,94,878	8,64,83,341
Financial Liabilities						
Trade Payables	(49,09,11,208)	(1,50,96,539)	(3,35,31,208)	(4,19,556)		(53,99,58,511)
Loan in Foreign Currency	(25,01,94,679)	(15,99,57,297)	—	(2,66,83,570)	—	(43,68,35,546)
Advance from Customers	(3,77,05,040)	(36,424)	—	—	—	(3,77,41,465)
Net Exposure to Foreign Currency Risk	**(22,27,67,217)**	**11,90,15,660**	**(3,35,31,208)**	**(1,13,72,415)**	**2,17,37,688**	**(12,69,17,492)**

Foreign Currency exposure as at 31 March 2019 ₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	60,37,83,937	4,80,24,143	—	5,45,79,670	26,42,810	70,90,30,560
Bank balance in Current account	—	—	—	9,38,598	—	9,38,598
Other Assets	94,35,557	5,12,541	—	—	36,695	99,84,793
Financial Liabilities						
Trade Payables	(36,18,98,736)	(11,79,42,924)	(4,61,03,412)	(2,20,146)	(25,00,209)	(52,86,65,427)
Loan in Foreign Currency	(43,75,87,835)	(5,41,30,251)	—	(24,85,297)	—	(49,42,03,383)
Advance from Customers	(36,62,064)	—	—	—	—	(36,62,064)
Net Exposure to Foreign Currency Risk	**(18,99,29,141)**	**(12,35,36,491)**	**(4,61,03,412)**	**5,28,12,825**	**1,79,296**	**(30,65,76,923)**

(e) Sensitivity Analysis

1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax

₹

Particulars	April 2019 to March 2020		April 2018 to March 2019	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(22,27,672)	22,27,672	(18,99,291)	18,99,291
EUR	11,90,157	(11,90,157)	(12,35,365)	12,35,365
JPY	(3,35,312)	3,35,312	(4,61,034)	4,61,034
GBP	(1,13,724)	1,13,724	5,28,128	(5,28,128)
Others	2,17,377	(2,17,377)	1,793	(1,793)
Increase / (decrease) in profit	**(12,69,174)**	**12,69,174**	**(30,65,769)**	**30,65,769**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation.

The exposure of the Company's floating debt interest obligation and its sensitive analysis are as follows:

	April 2019 to March 2020	April 2018 to March 2019
Company's debt obligation (Floating rates)	233,16,79,996	219,01,28,280

Sensitivity analysis assuming the amount of the liability outstanding at the year end was outstanding for the whole year:

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2020 would decrease/ increase by ₹ 58,29,200 (Previous year - ₹ 54,75,321). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2020 is ₹ 86,19,0000 (Previous year - ₹ 1,15,94,500). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

34 Capital management

The Company's capital management is intended to safeguard its ability to continue as a going concern so that to create value for shareholders and benefits for other stakeholders by facilitating the achievement of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets.

The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2020	As at 31 March 2019
	₹	₹
Total borrowings	233,16,79,996	219 ,01,28,280
Less: cash and cash equivalents, other bank balances and other financial assets	4,69,95,893	15,26,18,691
Net Debt	**228,46,84,103**	**203,75,09,589**
Equity	**485,94,71,387**	**418,32,69,450**
Total Capital (Equity + Net Debt)	**714,41,55,490**	**622,07,79,039**
Net Debt to Equity Ratio	**0.47**	**0.49**

35 Note on Revenue disaggregation

	India	Out side India	Total
	₹	₹	₹
Sale of products	1141,88,60,841	315,52,06,819	1457,40,67,660
	1207,58,52,663	*278,53,97,981*	*1486,12,50,644*
Income from sale of services	161,96,68,878	11,28,16,841	173,24,85,719
	69,00,24,826	*12,77,38,168*	*81,77,62,994*
Other operating revenue	20,43,70,431	—	20,43,70,431
	24,28,74,335	—	*24,28,74,335*
Total revenue from operations	**1324,29,00,150**	**326,80,23,660**	**1651,09,23,810**
	1300,87,51,824	*291,31,36,149*	*1592,18,87,973*

Note - Figures in italics relates to previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Revenue Reconciliation	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Total Revenue	1656,19,99,606	1596,24,69,031
Less: variable consideration (Cash Discount)	5,10,75,796	4,05,81,058
Total revenue from operations	**1651,09,23,810**	**1592,18,87,973**

- The Company's performance obligations are satisfied on delivery of product or service to the customer. Delivery of product completes when the products have been shipped or delivered to the specific location, of the customer, as the case may be. Delivery of service completes on receipt of confirmation from customer.
- The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

36 Contract Liability

The Company has recognised Revenue from Sale of products and Income from sale of Services amounting to ₹ 1,46,91,106 during the year ended 31 March 2020 against the advance received from customer which was outstanding as on 31 March 2019 (Previous year : ₹ 3,93,32,235 against advance received from customer which was outstanding as on 31 March 2018).

37 Related Party Disclosures

a) List of related parties of TRL Krosaki Refractories Limited

Sl No	Name	Country of Incorporation	% of Equity Interest	
			As at 31 March 2020	As at 31 March 2019
i)	**Parent Entity (Holding company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iii)	**Entity having significant influence over holding** Company (Ultimate Holding Company)			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		
iv)	**Investors Holding more than 20% (Refer Note 2 below)**			
	Tata Steel Limited (till 31 December 2018)	India		
v)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		
vi)	**Fellow Subsidiaries**			
	TRL Krosaki China Limited (formerly known as TRL China Limited)	China		
	Krosaki Harima Europe B.V.	Netherland		
	Krosaki USA Inc.(KUI) (Refer Note 3 below)	USA		
vii)	**Associate of Krosaki Harima Corporation**			
	IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India		
viii)	**Subsidiaries of Tata Steels Limited (till 31 December 2018)**			
	Tata Steel BSL Limited (formerly known as Bhushan Steel Limited)	India		
	Tata Metaliks Limited	India		

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Tata Sponge Iron Limited	India
Natsteel Holdings Pte Limited	Singapore
Tata Steel UK Limited	United Kingdom
The Siam Construction Steel Co. Limited	Thailand

ix) Joint Venture of Tata Steel (till 31 December 2018)

Tata Blue Scope Steel Limited	India
TKM Global Logistics Limited	India
Mjunction Limited	India

x) Joint Venture of Subsidiary of Nippon Steel Corporation

Arcelor Mittal Nippon Steel India Limited (w.e.f. 16 December 2019)	India
Mahindra Sanyo Special Steel Pvt Ltd.	India

xi) Key Managerial Personnel

(I) Directors

Mr. H. M. Nerurkar (Chairman)
Mr. P. B. Panda (Managing Director)
Mr. Sudhansu Pathak
Mr. Sudhir Krishnaji Joshi (up to 20 March, 2020)
Sunanda Lahiri (up to 20 March, 2020)
Mr. Kotaro Kuroda
Mr. Kiyotaka Oshikawa
Mr. Toshikazu Takasu
Mr. Sadayoshi Tateishi
Mr. Takeshi Yoshida
Mr. Hisatake Okumura
Mr. A. K. Rath (up to 25 September, 2019)
Mr. H. P. Singh (up to 11 April, 2019)
Mr. P. V. Bhide (w.e.f 21 March, 2020)
Mr. R. Ranganath Rao (w.e.f 21 March, 2020)

(ii) Other than Directors

Mr. M. V. Rao (Sr. Vice President (Finance) & CFO)
Mr. Arabinda Debta (GM (Legal) & Company Secretary)

xii) Relative of Key Managerial Personnel

Mr. Dinabandhu Panda

xiii) Employees' Benefit Plans

TRL Krosaki Refractories Limited Provident Fund
TRL Krosaki Refractories Limited Superannuation Fund
TRL Krosaki Refractories Limited Gratuity Fund

Note:

(1) The list contains those related parties with whom the Company has transactions during the current or previous year.

(2) Krosaki Harima Corporation acquired 26.62% shares of the Company from Tata Steel Limited on 31 December 2018.

(3) Krosaki Magnesita Refractories LLC closed on September 30, 2018 and the liquidation completed on March 29, 2019. All the operations of Krosaki Magnesita Refractories LLC were transferred to Krosaki USA Inc at the end of September 2018.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's joint ventures	Associates of the Company	Tata Steel, it's Subsidiaries and Joint Ventures (Refer note b below)	Key Managerial Personnel and relative
Purchase of Raw Materials and goods	15,20,31,361	82,92,48,570	–	1,65,29,879	–	–
	17,38,46,972	*57,68,32,292*	–	*1,58,07,913*	*23,60,51,798*	–
Sales and Services	10,34,10,194	24,27,90,932	15,14,04,675	16,17,261	–	–
	18,39,80,595	*17,20,81,439*	–	*86,57,407*	*282,93,81,721*	–
Receiving of Services	3,42,036	5,31,590	–	–	–	–
	–	–	–	–	*1,75,96,678*	–
Interest Expenses	–	–	3,42,394	–	–	–
	–	–	–	–	–	–
Royalty	9,19,00,692	–	–	–	–	–
	7,38,76,523	–	–	–	–	–
Dividend paid	19,79,18,941	–	–	–	–	1,830
	7,03,49,400	–	–	–	*3,67,21,502*	*1,650*
Outstanding Balance – Debtors	1,78,63,388	18,25,21,452	5,24,08,162	–	–	–
	1,01,46,832	*7,44,31,395*	–	*20,67,690*	–	–
Loans and advances given	–	–	–	–	–	–
	–	–	–	–	–	*3,00,000*
Loans and advances recovered	–	–	–	–	–	60,000
	–	–	–	–	–	*35,000*
Outstanding Loan Balance	–	–	–	–	–	2,05,000
	–		–	–	–	*2,65,000*
Creditors	14,48,05,916	15,35,04,060	–	–	–	–
	11,41,20,746	*1,16,98,089*	–	*14,60,416*	–	–
Interest Accrued	–	–	3,08,155	–	–	–
	–	–	–	–	–	–
Loans and Advances Received	–	7,38,903	–	–	–	–
	–	6,78,450	–	–	–	–
Borrowings (net of repayment)	–	–	17,99,86,223	–	–	–
	–	–	–	–	–	–
Short term employee benefits	–	–	–	–	–	5,41,54,532
	–	–	–	–	–	*3,09,55,535*
Post employment benefits (Refer Note c below)	–	–	–	–	–	30,75,952
	–	–	–	–	–	*29,21,454*
Other long term employee benefits (Refer Note c below)	–	–	–	–	–	–
	–	–	–	–	–	–
Commission	–	–	–	–	–	51,94,000
	–	–	–	–	–	*28,07,000*
Sitting Fees (Refer Note f below)	–	–	–	–	–	15,40,000
	–	–	–	–	–	*22,60,000*

Transactions presented above are inclusive of goods and services tax (GST).

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2020 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

(b) Transactions with Tata Steel Limited and it's subsidiaries and joint ventures are upto 31 December 2018.

(c) As the liabilities for defined benefit plans are provided on actuarial basis for the Company as whole, the amounts pertaining to key managerial personnel and relatives are not included.

(d) During the year, the Company has contributed ₹ 11,03,65,292 (Previous Year: ₹ 13,12,96,597) to the post employment benefit plans to the Trusts managed by the Company.

(e) Figures in italics represent comparative figures of the previous years.

(f) Sitting fees of all nominated directors has been paid to respective nominee companies.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

38 Earnings per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the year. The basic and diluted earnings per share has been calculated below :

		April 2019 to March 2020	April 2018 to March 2019
a)	Profit after Tax	100,68,81,624	84,71,50,868
b)	Profit attributable to Equity Share Holders	100,68,81,624	84,71,50,868
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	48.18	40.53

39 In terms of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Companies Act, 2013, segment information has been presented in the Consolidated Financial Statements, prepared pursuant to Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates and Joint Ventures' notified in the Act, included in the Annual Report for the year.

40 Previous years figures have been regrouped and/or rearranged wherever considered necessary to conform to current year's classification.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRL KROSAKI REFRACTORIES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TRL Krosaki Refractories Limited (hereinafter referred to as "the Company") and its associates, which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Other Information

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

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

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the company and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of

Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and of its associates is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its associates to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

The consolidated financial statements include the Company's share of net profit (and other comprehensive income) of ₹ 4,18,79,228 for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of two associates, whose financial information have not been audited by us or by other auditors. These unaudited financials information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

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

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

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Company. Refer Note 25 to the consolidated financial statements.

   ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.

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

C. With respect to the matter to be included in the Auditors' report under section 197(16):

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 20060715AAAACQ9704

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: June 23, 2020

Annexure - A to the Independent Auditors' report on the consolidated financial statements TRL Krosaki Refractories Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of TRL Krosaki Refractories Limited (hereinafter referred to as "the Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Company, as of that date.

In our opinion, the Company has in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with reference to Consolidated Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
UDIN No. : 20060715AAAACQ9704

sd/-

Seema Mohnot
Partner
Membership No.060715

Place: Kolkata
Date: June 23, 2020

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020

Particulars	Note	As at 31 March 2020 ₹	As at 31 March 2019 ₹
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	01(a)	240,65,09,328	202,44,37,730
(b) Capital work-in-progress	01(c)	69,35,32,740	19,14,80,946
(c) Right-of-use assets	28	18,44,93,590	–
(d) Intangible assets	01(b)	3,43,79,513	3,26,80,817
(e) Equity accounted investments	02	40,96,92,329	36,78,13,101
(f) Financial assets			
(i) Investments	03	86,19,000	1,15,94,500
(ii) Loans	04	5,92,75,806	5,79,14,485
(iii) Other financial assets	05	3,46,53,923	3,22,61,298
(g) Non-current tax assets (net)		10,29,04,117	9,55,96,004
(h) Other non-current assets	06	29,79,59,875	19,45,05,909
Total Non-current assets		**423,20,20,221**	**300,82,84,790**
(2) Current assets			
(b) Inventories	08	314,01,62,437	359,54,47,592
(b) Financial assets			
(i) Trade receivables	07	274,21,82,238	218,54,29,201
(ii) Cash and cash equivalents	09	77,36,150	11,55,20,315
(iii) Other balances with bank	10	18,56,153	23,30,370
(iv) Loans	04	2,97,73,625	2,57,44,376
(v) Other financial assets	05	27,49,667	25,06,708
(c) Other current assets	06	49,69,76,226	59,14,48,569
(d) Assets held for sale		8,61,82,870	8,61,82,870
Total Current assets		**650,76,19,366**	**660,46,10,001**
TOTAL ASSETS		**1073,96,39,587**	**961,28,94,791**
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	11	20,90,00,000	20,90,00,000
(b) Other equity		491,30,70,735	419,00,33,630
Total Equity		**512,20,70,735**	**439,90,33,630**
(2) LIABILITIES			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	87,17,20,000	–
(ii) Lease liabilities	28	18,54,54,065	–
(b) Provisions	15	32,90,45,975	28,52,31,951
(c) Deferred tax liabilities (net)		5,96,25,247	9,77,24,278
Total Non-current liabilities		**144,58,45,287**	**38,29,56,229**
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	145,99,59,996	219,01,28,280
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	13(a)	2,78,13,667	28,10,866
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13(b)	212,26,60,336	208,06,34,055
(iii) Lease liabilities	28	99,51,139	–
(iv) Other financial liabilities	14	8,81,09,902	12,16,10,663
(b) Other current liabilities	16	32,05,70,496	27,60,65,620
(c) Provisions	15	8,89,69,279	8,30,60,553
(d) Current tax liabilities (net)		5,36,88,750	7,65,94,895
Total Current liabilities		**417,17,23,565**	**483,09,04,932**
TOTAL EQUITY AND LIABILITIES		**1073,96,39,587**	**961,28,94,791**
Notes forming part of financial statements	(1-41)		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

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

		Note	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
I	Revenue from operations	17	1651,09,23,810	1592,18,87,973
II	Other income	18	2,66,89,491	2,10,42,051
III	**Total Income (I+II)**		**1653,76,13,301**	**1594,29,30,024**
IV	**EXPENSES**			
	(a) Cost of materials consumed	19	716,83,00,302	693,34,40,348
	(b) Purchases of stock-in-trade		246,13,23,335	237,73,81,589
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	20	(12,48,35,468)	(33,85,35,456)
	(d) Employee benefits expense	21	125,65,39,715	113,56,46,569
	(e) Finance costs	22	16,55,21,583	15,72,10,328
	(f) Depreciation and amortisation expense	01 & 28	26,82,69,869	31,85,72,263
	(g) Other expenses	23	402,86,66,353	405,96,70,382
	Total Expenses (IV)		**1522,37,85,689**	**1464,33,86,023**
V	**Share of profit of equity accounted investees**		**4,18,79,228**	**3,47,48,924**
VI	**Profit before tax (III-IV+V)**		**135,57,06,840**	**133,42,92,925**
VII	**Tax Expense**			
	(a) Current tax		33,78,60,855	46,66,59,977
	(b) Taxation for earlier years		(16,19,521)	12,63,553
	(c) Deferred tax		(3,42,51,286)	(95,42,051)
	Total tax expense		**30,19,90,048**	**45,83,81,479**
VIII	**Profit for the year (VI-VII)**		**105,37,16,792**	**87,59,11,446**
IX	**Other Comprehensive Income / (loss)**			
	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement loss of defined benefit plans		(2,23,75,800)	(4,58,10,991)
	(b) Fair value changes of investments in equity shares		(29,75,500)	21,64,000
	(ii) Income tax on items that will not be reclassified subsequently to profit and loss		20,63,502	1,60,92,667
	Total Other comprehensive loss for the year (net of income tax)		**(2,32,87,798)**	**(2,75,54,324)**
X	**Total Comprehensive Income for the year (VIII+IX)**		**103,04,28,994**	**84,83,57,122**
XI	**Earnings per equity share**			
	Basic and Diluted [Face value of Rs.10 each] (PY: Face value of Rs.10 each)	40	50.42	41.91
	Notes forming part of financial statements	(1-41)		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, Jue 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

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

(A) EQUITY SHARE CAPITAL

(Refer Note 11)

As at 31 March 2020 ₹

Particulars	Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity Share Capital	20,90,00,000	—	20,90,00,000

As at 31 March 2019 ₹

Particulars	Balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
Equity Share Capital	20,90,00,000	—	20,90,00,000

(B) OTHER EQUITY

(Refer Note 11)

As at 31 March 2020 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2019	**188,72,15,205**	**142,49,94,100**	**75,73,04,560**	**12,05,19,765**	**419,00,33,630**
Profit for the year	**105,37,16,792**	—	—	—	**105,37,16,792**
Dividend (Including dividend distribution tax)	**(30,73,91,889)**	—	—	—	**(30,73,91,889)**
Fair value loss on equity instrument	–	—	—	**(29,75,500)**	**(29,75,500)**
Remeasurement loss on defined benefit plans	**(2,03,12,298)**	—	—	—	**(2,03,12,298)**
Balance as at 31 March 2020	**261,32,27,810**	**142,49,94,100**	**75,73,04,560**	**11,75,44,265**	**491,30,70,735**

As at 31 March 2019 ₹

Particulars	Reserve & Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Security Premium Reserve	Investment Revaluation Reserve	
Balance as at 1 April 2018	120,73,16,056	142,49,94,100	75,73,04,560	11,83,55,765	**350,79,70,481**
Profit for the year	87,59,11,446	—	—	—	**87,59,11,446**
Dividend (Including dividend distribution tax)	(16,62,93,973)	—	—	—	**(16,62,93,973)**
Fair value gain on equity instrument	—	—	—	21,64,000	**21,64,000**
Remeasurement loss on defined benefit plans	(2,97,18,324)	—	—	—	**(2,97,18,324)**
Balance as at 31 March 2019	**188,72,15,205**	**142,49,94,100**	**75,73,04,560**	**12,05,19,765**	**419,00,33,630**

Retained earnings : Retained earnings are profit that the Company has earned till date, less dividend or other distributions paid to shareholders. It also includes remeasurement gain / loss of defined benefit plans.

General Reserve : Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

Securities premium : Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013. There is no movement in securities premium during the current and previous year.

Investment revaluation reserve : The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Belpahar

Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

Kolkata, June 23, 2020

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020

			April 2019 - March 2020 ₹	April 2018 - March 2019 ₹
A.	**Cash Flow from Operating activities:**			
	Profit before tax		135,57,06,840	133,42,92,925
	Adjustments for:			
	Share of profit of equity accounted investees		(4,18,79,228)	(3,47,48,924)
	Depreciation and amortisation expense		26,82,69,869	31,85,72,263
	Credit balances written back		(1,82,36,704)	(1,36,14,802)
	Property, plant and equipment written off		22,67,695	1,89,57,147
	Dividend income		(1,00,000)	(65,000)
	Net gain on sale of property, plant and equipment		(15,40,789)	(12,00,865)
	Interest income		(68,11,998)	(61,61,384)
	Finance costs		16,55,21,583	15,72,10,328
	Unrealised gain on foreign exchange fluctuation		(93,87,374)	(39,22,184)
	Operating profit before working capital changes		**171,38,09,894**	**176,93,19,504**
	Adjustments for:			
	Increase in non-current / current financial and other assets		(42,29,08,835)	(26,11,77,304)
	Decrease / (Increase) in inventories		45,52,85,155	(94,28,74,344)
	Increase in non-current / current financial and other liabilities / provisions		8,26,37,815	17,71,83,011
	Cash generated from operations		**182,88,24,029**	**74,24,50,867**
	Income tax paid (net of refunds)		(36,82,39,835)	(44,20,66,949)
	Net Cash from Operating Activities	**A**	**146,05,84,194**	**30,03,83,918**
B.	**Cash Flow from Investing Activities:**			
	Acquisitions of property, plant and equipment		(129,23,63,340)	(44,61,59,677)
	Proceeds on sale of property, plant and equipment		23,56,136	15,69,954
	Advance against sale of land		4,75,00,000	—
	Fixed deposits with bank		(1,31,587)	(51,61,298)
	Interest received		41,76,414	81,20,152
	Dividend received		1,00,000	65,000
	Net Cash used in Investing Activities	**B**	**(123,83,62,377)**	**(44,15,65,869)**
C.	**Cash Flow from Financing Activities:**			
	Proceeds from borrowings		139,38,11,163	78,18,83,342
	Repayment of borrowings		(126,66,73,219)	(21,81,08,768)
	Payment of lease liabilities (including interest)		(2,17,13,379)	—
	Proceeds from government grant		1,53,67,107	91,12,034
	Interest paid		(14,34,05,765)	(15,75,36,104)
	Dividend paid (including dividend distribution tax)		(30,73,91,889)	(16,62,93,973)
	Net Cash (used in) / from Financing Activities	**C**	**(33,00,05,982)**	**24,90,56,531**
Net increase / (decrease) in cash and cash equivalents (A+B+C)			**(10,77,84,165)**	**10,78,74,580**
Opening Cash and Cash equivalents (Refer Note 9)			**11,55,20,315**	**76,45,735**
Closing Cash and Cash equivalents (Refer Note 9)			**77,36,150**	**11,55,20,315**

Note:

i) Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

ii) Figures in brackets represent cash outflows.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

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P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

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M. V. RAO
Sr. VP (Finance) & CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 01

Description	Cost / (Deemed Cost) as at 1 April 2019 ₹	Additions ₹	Deductions ₹	Cost / Deemed Cost as at 31 March 2020 ₹	Accumulated Depreciation as at 1 April 2019 ₹	Depreciation for the Year: Additions ₹	Depreciation for the Year: Disposals/ Deductions ₹	Accumulated Depreciation as at 31 March 2020 ₹	Net Carrying Value as at 31 March 2020 ₹
1(a). Property, plant and equipment									
Freehold Land	18,67,412 (18,67,412)	– –	– –	18,67,412 (18,67,412)	– –	– –	– –	– –	18,67,412 (18,67,412)
Buildings and Roads	72,50,81,520 (59,96,25,145)	21,94,02,932 (12,56,27,529)	– (1,71,154)	94,44,84,452 (72,50,81,520)	17,41,54,312 (5,57,70,956)	2,17,23,700 (11,85,54,510)	– (1,71,154)	19,58,78,012 (17,41,54,312)	74,86,06,440 (55,09,27,208)
Plant and Machinery	181,72,03,866 (166,31,29,607)	30,22,08,488 (22,10,94,207)	9,39,93,922 (6,70,19,948)	202,54,18,432 (181,72,03,866)	47,21,16,898 (36,63,63,848)	17,01,27,852 (15,40,73,343)	9,11,41,063 (4,83,20,293)	55,11,03,687 (47,21,16,898)	147,43,14,745 (134,50,86,968)
Railway Siding	1,34,48,476 (1,34,48,476)	– –	– –	1,34,48,476 (1,34,48,476)	57,79,896 (43,34,922)	14,44,974 (14,44,974)	– –	72,24,870 (57,79,896)	62,23,606 (76,68,580)
Furniture and Fixture	10,57,07,638 (10,41,70,400)	4,60,21,945 (1,23,16,993)	2,28,369 (1,07,79,755)	15,15,01,214 (10,57,07,638)	5,41,26,315 (5,09,30,141)	1,89,31,814 (1,36,58,446)	2,28,369 (1,04,62,272)	7,28,29,760 (5,41,26,315)	7,86,71,454 (5,15,81,323)
Office Equipments	8,32,07,478 (5,32,83,227)	2,96,17,454 (3,09,34,190)	3,15,73,477 (10,09,939)	8,12,51,455 (8,32,07,478)	4,12,68,179 (2,93,76,159)	1,53,74,582 (1,28,69,663)	3,15,15,626 (9,77,643)	2,51,27,135 (4,12,68,179)	5,61,24,320 (4,19,39,299)
Vehicles	2,58,69,187 (2,02,15,024)	2,45,32,680 (1,22,59,720)	13,53,955 (66,05,557)	4,90,47,912 (2,58,69,187)	5,02,247 (12,93,526)	90,25,937 (55,37,476)	11,81,623 (63,28,755)	83,46,561 (5,02,247)	4,07,01,351 (2,53,66,940)
Total Property, plant and equipment	**277,23,85,577** (245,57,39,291)	**62,17,83,499** (40,22,32,639)	**12,71,49,723** (8,54,15,199)	**326,70,19,353** (277,23,85,577)	**74,79,47,847** (50,80,69,552)	**23,66,28,859** (30,61,38,412)	**12,40,66,681** (6,62,60,117)	**86,05,10,025** (74,79,47,847)	**240,65,09,328** (202,44,37,730)
1(b). Intangible Assets									
Development of Mines	2,88,33,293 (2,88,33,293)	– –	– –	2,88,33,293 (2,88,33,293)	1,77,88,365 (1,33,41,274)	44,47,092 (44,47,091)	– –	2,22,35,457 (1,77,88,365)	65,97,836 (1,10,44,928)
Software	4,31,23,731 (3,71,51,441)	1,46,28,651 (59,72,290)	– –	5,77,52,382 (4,31,23,731)	2,14,87,842 (1,35,01,082)	84,82,863 (79,86,760)	– –	2,99,70,705 (2,14,87,842)	2,77,81,677 (2,16,35,889)
Total Intangible Assets	**7,19,57,024** (6,59,84,734)	**1,46,28,651** (59,72,290)	**–** –	**8,65,85,675** (7,19,57,024)	**3,92,76,207** (2,68,42,356)	**1,29,29,955** (1,24,33,851)	**–** –	**5,22,06,162** (3,92,76,207)	**3,43,79,513** (3,26,80,817)
Total (a+b) **As at 31 March 2019**	**284,43,42,601** (252,17,24,025)	**63,64,12,150** (40,82,04,929)	**12,71,49,723** (8,54,15,199)	**335,36,05,028** (284,43,42,601)	**78,72,24,054** (53,49,11,908)	**24,95,58,814** (31,85,72,263)	**12,40,66,681** (6,62,60,117)	**91,27,16,187** (78,72,24,054)	**244,08,88,841** (205,71,18,547)
1(c). Capital work in progress									
Buildings, Plant and Machinery, etc.	**19,14,80,946** (5,24,26,028)	**113,84,63,944** (54,72,59,847)	**63,64,12,150** (40,82,04,929)	**69,35,32,740** (19,14,80,946)	**–** –	**–** –	**–** –	**–** –	**69,35,32,740** (19,14,80,946)
Total Assets									**313,44,21,581** (224,85,99,493)

Note:
(i) Figures in brackets relate to the previous year.
(ii) Development of mines represent expenditure incurred in relation to restoration obligations as per applicable regulations.
(iii) No indicator of impairment were identified during the current year, hence Property, Plant and Equipment including Capital Work in Progress were not tested for impairment.
(iv) Property, Plant and Equipment including Capital Work in Progress have been hypothecated as security against certain bank borrowings (Refer Note 12)
(v) ₹ 2,41,75,505 (Previous year – nil) of borrowing costs has been capitalised during the year on qualifying assets under additions to Capital Work in Progress using a capitalisation rate of 8.50% (Previous year – nil)
(vi) Additions to Capital Work in Progress includes finished goods issued for capital projects amounting to Rs. 4,08,57,115 (Previous year –nil)
(vii) Buildings and Roads, closing gross block ₹ 17,95,61,240 (Previous year – ₹ 10,15,24,536) and net carrying value Rs.16,84,69,320 (Previous year – ₹.9,28,29,625) include buildings leased out to employees for residential purposes.
(viii) Incentives amounting to ₹ 1,53,67,107 (Previous year – ₹ 91,12,034) on account of Export Promotion Capital Goods scheme is adjusted in additions to Capital Work in Progress.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	No. of equity shares	As at 31 March 2020 ₹	As at 31 March 2019 ₹
NOTE: 02 Equity accounted investments			
Non-Current			
Investments in Associate Companies			
a) TRL Krosaki Asia Pte Limited (Face value of SG$ 1 each, fully paid-up)	48,07,584	24,71,96,840	24,71,96,840
Add: Accumulated Profit		13,54,44,114	8,71,11,794
Carrying amount of Investment		**38,26,40,954**	**33,43,08,634**
b) Almora Magnesite Limited	77,990	77,99,000	77,99,000
Original cost of investment (Face value of ₹ 100 each, fully paid-up)			
Add: Accumulated Profit		1,92,52,375	2,57,05,467
Carrying amount of Investment		**2,70,51,375**	**3,35,04,467**
Total Equity accounted investments		**40,96,92,329**	**36,78,13,101**
Aggregate carrying value of unquoted investments		**40,96,92,329**	**36,78,13,101**
NOTE: 03 Investments			
Non-Current			
a) Investment designated at fair value through Other Comprehensive Income			
Investment in Equity Instrument (Quoted)			
HDFC Bank Limited (Fair Value) (Face Value of ₹ 1 each fully paid up)	*10,000	86,19,000	1,15,94,500
*(Previous year - 5,000 equity shares of ₹ 2 each fully paid up)			
b) Investment in Equity Instrument (Unquoted)			
Tata Construction and Projects Limited*	1,44,202	18,42,020	18,42,020
(Face Value of ₹ 10 each fully paid up) Less: impairment in value of investment		(18,42,020)	(18,42,020)
*Company is in liquidation			
Total Investments		**86,19,000**	**1,15,94,500**
Aggregate carrying value and market value of quoted investments are as below:			
Carrying value		86,19,000	1,15,94,500
Market Value		86,19,000	1,15,94,500
Aggregate amount of impairment in value of investment		**18,42,020**	**18,42,020**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

04 Loans

	As at 31 March 2020 ₹			As at 31 March 2019 ₹		
Unsecured, considered good	Non-current	Current	Total	Non-current	Current	Total
(a) Security deposits	4,48,28,755	2,08,71,191	6,56,99,946	3,69,34,903	1,60,01,827	5,29,36,730
(b) Loans to employees	1,44,47,051	89,02,434	2,33,49,485	2,09,79,582	97,42,549	3,07,22,131
Total Loans	**5,92,75,806**	**2,97,73,625**	**8,90,49,431**	**5,79,14,485**	**2,57,44,376**	**8,36,58,861**

05 Other financial assets

	As at 31 March 2020 ₹			As at 31 March 2019 ₹		
Unsecured, considered good	Non–current	Current	Total	Non–current	Current	Total
(a) Interest accrued on deposits	23,92,625	27,49,667	51,42,292	–	25,06,708	25,06,708
(b) Earmarked balance with bank	3,22,61,298	–	3,22,61,298	3,22,61,298	–	3,22,61,298
Total Other financial assets	**3,46,53,923**	**27,49,667**	**3,74,03,590**	**3,22,61,298**	**25,06,708**	**3,47,68,006**

Earmarked balance with bank represent deposits not due for realisation within 12 months from the balance sheet date. These are primarily placed as margin money against issue of bank guarantees.

06 Other assets

	As at 31 March 2020 ₹			As at 31 March 2019 ₹		
Unsecured, considered good unless otherwise stated	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	10,54,04,575	–	10,54,04,575	44,83,105	–	44,83,105
(b) Advance with public bodies *	18,60,48,112	37,74,00,835	56,34,48,947	18,33,72,146	47,58,78,139	65,92,50,285
(c) Other advances (Unsecured, considered good)**	65,07,188	11,95,75,391	12,60,82,579	66,50,658	11,55,70,430	12,22,21,088
(d) Other advances (Unsecured, considered doubtful)	1,03,13,821	–	1,03,13,821	1,03,13,821	–	1,03,13,821
Other assets	**30,82,73,696**	**49,69,76,226**	**80,52,49,922**	**20,48,19,730**	**59,14,48,569**	**79,62,68,299**
Less: Allowances for doubtful advances	**1,03,13,821**	**–**	**1,03,13,821**	**1,03,13,821**	**–**	**1,03,13,821**
Total Other assets	**29,79,59,875**	**49,69,76,226**	**79,49,36,101**	**19,45,05,909**	**59,14,48,569**	**78,59,54,478**

* Advance with public bodies primarily relate to duty credit entitlements and amounts paid under protest in respect of demands from regulatory authorities.

** Other advances include advances against supply of goods and services and advances paid to employees.

07 Trade receivables

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Unsecured		
(a) Unsecured, considered good	290,20,60,502	233,48,91,690
(b) Credit Impaired	1,00,90,265	2,14,09,392
	291,21,50,767	**235,63,01,082**
Less: Allowance for credit losses	16,99,68,529	17,08,71,881
Total Trade receivables	**274,21,82,238**	**218,54,29,201**

There are no receivables which have significant increase in credit risk.

The Company's exposure to customers contributing more than 10% of the outstanding receivables as at March 31, 2020 is ₹ 100,89,99,537 (Previous year: ₹ 72,03,55,179)

The trade receivables from related parties amounting to ₹ 25,27,93,002 (Previous year: ₹ 8,66,45,917) are included in trade receivables. [Refer Note 38 (b)]

There are no outstanding debts due from directors or other officers of the Company.

Trade receivables have been hypothecated as security against certain bank borrowings (Refer Note 12)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The details of movement in allowances for credit losses are as below:

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Balance at the beginning of the year	17,08,71,881	7,37,83,281
Additions during the year	2,05,06,040	9,70,88,600
Amount utilised during the year	(2,14,09,392)	–
Balance at the end of the year	**16,99,68,529**	**17,08,71,881**

08 Inventories

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Raw materials	162,72,21,090	219,55,23,852
(b) Work-in-progress	21,85,48,381	24,04,39,963
(c) Finished goods	94,26,03,505	76,76,72,374
(d) Stock-in-trade	11,63,80,899	18,54,42,095
(e) Stores and spares	17,01,70,263	14,86,13,584
(f) Loose tools	43,05,075	36,74,336
(g) Fuel	6,09,33,224	5,40,81,388
Total Inventories	**314,01,62,437**	**359,54,47,592**

The value of inventories stated above is after impairment of ₹ 1,62,72,698 (Previous year : ₹ 1,09,61,387) for write-downs to net realisable value and provision for slow moving and obsolete item is ₹ 58,57 547 (Previous year : ₹ 83,47,346).

Included above, goods in transit, finished goods of ₹ 3,27,23,293 (Previous year : ₹ 3,73,68,835)

The inventories have been hypothecated as security against certain bank borrowings (Refer Note-12)

09 Cash and cash equivalents

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Cash on hand	2,19,761	79,612
(b) Cheques on hand	7,794	–
(c) Balances with banks	75,08,595	11,54,40,703
Total Cash and cash equivalents	**77,36,150**	**11,55,20,315**

10 Other balances with bank

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Fixed deposits held as margin money *	18,31,587	17,00,000
(b) Unclaimed dividend**	24,566	6,30,370
Total Other balances with Bank	**18,56,153**	**23,30,370**

* Fixed deposits held as margin money against issue of bank guarantees.

** Not available for use of the Company.

11 Equity Share Capital

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Authorised :		
2,50,00,000 Equity Shares of ₹10 each (Previous year: 2,50,00,000 Equity Shares of ₹ 10 each)	25,00,00,000	25,00,00,000
	25,00,00,000	**25,00,00,000**
Issued, Subscribed and Fully Paid-up:		
2,09,00,000 Equity Shares of ₹ 10 each (Previous year: 2,09,00,000 Equity Shares of ₹ 10 each)	20,90,00,000	20,90,00,000
Total Equity Share Capital	**20,90,00,000**	**20,90,00,000**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Equity Share Capital (Cont.)

a) Rights, preference and restrictions attached to equity shares

i) The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. Holder of equity shares is entitled to one vote per share.

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

b) Reconciliation of Share Capital	As at 31 March 2020 Number	As at 31 March 2019 Number	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Opening Balance	2,09,00,000	2,09,00,000	20,90,00,000	20,90,00,000
Closing Balance	**2,09,00,000**	**2,09,00,000**	**20,90,00,000**	**20,90,00,000**

c) Shares held by holding company	As at 31 March 2020 Number	As at 31 March 2019 Number	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Krosaki Harima Corporation- Japan				
Opening Balance	1,62,22,864	1,06,59,000	16,22,28,640	10,65,90,000
Addition during the year*	–	55,63,864	–	5,56,38,640
Closing Balance	**1,62,22,864**	**1,62,22,864**	**16,22,28,640**	**16,22,28,640**

* On 31 December 2018, Krosaki Harima Corporation acquired 26.62% share of the Company from Tata Steel Limited.

d) Details of shareholders holding more than 5% shares in the Company is as below:

Name of the Share holders	As at 31 March 2020		As at 31 March 2019	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Krosaki Harima Corporation- Japan (Holding company)	1,62,22,864	77.62	1,62,22,864	77.62
Steel Authority of India Limited	22,03,150	10.54	22,03,150	10.54

e) Other Equity

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
1) Retained earnings		
Balance at the beginning of the year	188,72,15,205	120,73,16,056
Profit for the year	105,37,16,792	87,59,11,446
Dividend (Including dividend distribution tax)	(30,73,91,889)	(16,62,93,973)
Remeasurement loss on defined benefit plans	(2,03,12,298)	(2,97,18,324)
Balance at the end of the year	**261,32,27,810**	**188,72,15,205**
2) General Reserve		
Balance at the beginning of the year	142,49,94,100	142,49,94,100
Balance at the end of the year	**142,49,94,100**	**142,49,94,100**
3) Securities premium :		
Balance at the beginning of the year	75,73,04,560	75,73,04,560
Balance at the end of the year	**75,73,04,560**	**75,73,04,560**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

11 Equity Share Capital (Contnd.)	As at 31 March 2020 ₹	As at 31 March 2019 ₹
4) Investment revaluation reserve:		
The details of movement in investment revaluation reserve are as below:		
Balance at the beginning of the year	12,05,19,765	11,83,55,765
Other comprehensive (loss)/income recognised during the year	(29,75,500)	21,64,000
Balance at the end of the year	**11,75,44,265**	**12,05,19,765**
5) Dividends		
The following dividends were declared and paid by the Company during the year		
₹ 12.20 per equity shares (Previous year - ₹ 6.60 per share)	25,49,80,000	13,79,40,000
Dividend distribution tax (DDT) on dividend to equity shareholders	5,24,11,889	2,83,53,973
	30,73,91,889	**16,62,93,973**

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the board of directors subject to the approval by the shareholders at the annual general meeting.

₹ 14.50 per equity shares (Previous year: ₹ 12.20)	30,30,50,000	25,49,80,000

6) Remeasurement on defined benefit plans

Remeasurement gain/ (loss) on defined benefit plans includes actuarial gain / (loss) arising on defined benefit plans of Company (net of taxes).

12 Borrowings

	As at 31 March 2020			As at 31 March 2019		
	Non–Current	Current	Total	Non–Current	Current	Total
A. Secured Borrowings						
(a) Term Loan*						
From Bank	87,17,20,000	–	87,17,20,000	–	–	–
(b) Loan from Banks**						
(i) Working Capital Demand Loans	–	18,00,00,000	18,00,00,000	–	–	–
(ii) Cash Credit (repayable on demand)	–	14,43,38,227	14,43,38,227	–	15,95,48,851	15,95,48,851
(iii) Packing Credits	–	54,65,34,504	54,65,34,504	–	64,34,18,645	64,34,18,645
Total Secured Borrowings	**87,17,20,000**	**87,08,72,731**	**174,25,92,731**	–	80,29,67,496	80,29,67,496
B. Unsecured Borrowings						
(a) Loan from banks						
(i) Working Capital demand loans	–	40,00,00,000	40,00,00,000	–	135,00,00,000	135,00,00,000
(ii) Packing Credits	–	91,01,042	91,01,042	–	3,71,60,784	3,71,60,784
(b) Loan from Related Party [Refer Note 38(b)]	–	17,99,86,223	17,99,86,223		–	–
Total Unsecured Borrowings	**–**	**58,90,87,265**	**58,90,87,265**	**–**	**138,71,60,784**	**138,71,60,784**
Total Borrowings	**87,17,20,000**	**145,99,59,996**	**233,16,79,996**	**–**	**219,01,28,280**	**219,01,28,280**

*** Term Loan from State Bank of India- SME Branch, Rourkela**

Secured by first charge over the proposed fixed assets of the Company for which term loan is taken and first pari-passu charge on existing fixed assets including factory land and building.

Term loan is repayable in 16 quarterly installments, starting from June 2021 and last installment in March 2025. Interest is paid as and when due for payment.

**** Current Borrowings**

Secured by hypothecation of stock of raw materials, stores and consumables, stock-in-process, finished goods, receivables and other current assets, both present and future, by way of pari-passu first charge and second charge over property, plant and equipment.

Packing credits are repayable within maximum tenure of 180 days.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

13 Trade Payables

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) **Total outstanding dues of micro enterprises and small enterprises**		
Creditors for supplies of micro and small enterprises	2,78,13,667	28,10,866

The amounts due to Micro and Small Enterprises, as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)", have been determined to the extent that such parties have been identified on the basis of information available with the Company. The details are tabulated below:

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
1. The principal amount remaining unpaid to supplier as at the end of the year	2,78,13,667	28,10,866
2. The interest due thereon remaining unpaid to suppliers as at the end of the year	–	–
3. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
4. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	–	–
5. The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
(b) **Total outstanding dues of creditors other than micro enterprises and small enterprises**		
(i) Creditors for supplies / services other than micro and small enterprises	190,17,16,100	168,46,25,391
(ii) Creditors for accrued wages and salaries	8,81,37,955	9,42,75,793
(iii) Acceptances	13,28,06,281	30,17,32,871
Total dues of creditors other than micro enterprises and small enterprises	**212,26,60,336**	**208,06,34,055**

14 Other financial liabilities

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Interest accrued and due on borrowings	72,71,116	–
(b) Interest accrued but not due on borrowings	9,42,591	11,827
(c) Unpaid dividend	24,566	6,30,370
(d) Derivative liabilities	35,23,863	70,09,881
(e) Creditors for capital goods	7,63,47,766	11,39,58,585
Total Other financial liabilities	**8,81,09,902**	**12,16,10,663**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 Provisions

	As at 31 March 2020			As at 31 March 2019		
	Non current	Current	Total	Non current	Current	Total
	₹	₹	₹	₹	₹	₹
(a) Provision for employee benefits*	18,83,13,935	8,05,44,978	26,88,58,913	14,61,94,100	7,13,39,640	21,75,33,740
(b) Provision for retirement benefits [Refer Note 31(2)]	13,36,21,659	76,17,976	14,12,39,635	13,13,73,236	74,04,675	13,87,77,911
(c) Provision for employee separation compensation	7,87,682	8,06,325	15,94,007	13,41,916	11,24,357	24,66,273
(d) Other provisions	63,22,699	–	63,22,699	63,22,699	31,91,881	95,14,580
Total Provisions	**32,90,45,975**	**8,89,69,279**	**41,80,15,254**	**28,52,31,951**	**8,30,60,553**	**36,82,92,504**

* Provision for employee benefits includes provision for compensated absence, bonus and employee incentives.

** Other provisions include provisions for Octroi, holding tax, license fees and water cess.

The details of movement in other provisions is as below:

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Balance at the beginning of the year	**95,14,580**	**3,68,56,759**
Provision recognised during the year	31,91,850	31,91,879
Amount utilised during the year	63,83,731	3,05,34,058
Balance at the end of the year	**63,22,699**	**95,14,580**

16 Other Liabilities

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
(a) Advances received from customers	8,25,10,876	3,67,51,255
(b) Advance against sale of land	4,75,00,000	–
(c) Employee recoveries and employer contributions	93,10,284	1,30,36,165
(d) Statutory dues *	18,12,49,336	22,62,78,200
Total Other liabilities	**32,05,70,496**	**27,60,65,620**

*Statutory dues primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

17 Revenue from Operations

	April 2019 to March 2020	April 2018 to March 2019
(a) Sale of products	1457,40,67,660	1486,12,50,644
(b) Income from sale of services	173,24,85,719	81,77,62,994
(c) Other operating revenue *	20,43,70,431	24,28,74,335
Total Revenue from operations	**1651,09,23,810**	**1592,18,87,973**

* Includes export incentives of ₹ 10,90,43,182 (Previous year ₹ 11,43,83,846) on account of Duty Draw Back and Merchandise Export from India Scheme.

18 Other income

	April 2019 to March 2020	April 2018 to March 2019
(a) Dividend income	1,00,000	65,000
(b) Net gain on sale of property, plant and equipment	15,40,789	12,00,865
(c) Credit balances written back	1,82,36,704	1,36,14,802
(d) Interest income	68,11,998	61,61,384
Total Other income	**2,66,89,491**	**2,10,42,051**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

19 Cost of materials consumed

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Opening stock	219,55,23,852	162,98,92,779
Add: Purchases	659,99,97,540	749,90,71,421
	879,55,21,392	912,89,64,200
Less: Closing stock	162,72,21,090	219,55,23,852
Total cost of materials consumed	**716,83,00,302**	**693,34,40,348**

20 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Inventories at the end of the year		
Finished goods	94,26,03,505	76,76,72,374
Stock-in-trade	11,63,80,899	18,54,42,095
Work-in-progress	21,85,48,381	24,04,39,963
Total Inventories at the end of the year	**127,75,32,785**	**119,35,54,432**
Inventories at the beginning of the year		
Finished goods	76,76,72,374	55,51,94,710
Stock-in-trade	18,54,42,095	11,16,92,401
Work-in-progress	24,04,39,963	18,81,31,865
Total Inventories at the beginning of the year	**119,35,54,432**	**85,50,18,976**
Changes in stock of finished goods, stock-in-trade and work-in-progress	**8,39,78,353**	**33,85,35,456**
Add: Finished goods issued for capital projects reclassified to Capital work-in-progress	4,08,57,115	–
Total Changes in stock of finished goods, stock-in-trade and work-in-progress	**12,48,35,468**	**33,85,35,456**

21 Employee benefits expenses

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a) Salaries, wages and bonus	106,82,26,726	96,28,69,967
(b) Employee separation compensation	3,59,844	19,79,745
(c) Contribution to provident and other funds	11,25,61,210	9,75,36,301
(d) Staff welfare expenses	7,53,91,935	7,32,60,556
Total Employee benefits expenses	**125,65,39,715**	**113,56,46,569**

22 Finance costs

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a) Interest expense		
(1) Interest on fixed loans	11,42,46,888	8,65,65,462
(2) Interest on other loans	5,91,19,679	6,84,18,686
(3) Interest on lease liabilities	1,39,13,938	–
(b) Other borrowing costs	24,16,583	22,26,180
Less: Interest capitalised	2,41,75,505	–
Total Finance costs	**16,55,21,583**	**15,72,10,328**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

23. Other expenses

		April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(a)	Stores and spares consumed	31,95,69,970	33,96,90,204
(b)	Repairs to buildings	22,57,09,879	23,68,42,324
(c)	Repairs to machinery	29,76,22,815	28,02,59,595
(d)	Contractors charges for refractories management	27,76,52,155	25,29,13,907
(e)	Fuel consumed	83,72,69,213	91,91,85,181
(f)	Purchase of power	23,46,38,780	23,84,76,535
(g)	Conversion and processing charges	23,17,31,893	20,68,94,696
(h)	Freight and handling charges	80,96,59,876	77,22,40,275
(i)	Rent	3,82,72,660	4,57,72,949
(j)	Royalty	9,19,00,692	7,38,76,523
(k)	Rates and taxes	1,83,09,941	1,59,59,937
(l)	Insurance charges	94,78,906	53,57,001
(m)	Commission expenses	12,08,69,635	13,72,84,257
(n)	Net loss on foreign currency transactions	5,95,10,511	6,80,88,835
(o)	Legal and other professional costs	15,09,95,603	13,55,77,906
(p)	Travelling expenses	16,16,27,530	17,26,43,225
(q)	Others (Refer note below)	14,38,46,294	15,86,07,032
Total Other expenses		**402,86,66,353**	**405,96,70,382**

Note:

Others includes:

		April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
(i)	Payment to Auditors :		
	a) Services as Auditors [including for audit in terms of Section 44AB of the Income Tax Act, 1961 ₹ 2,00,000 (Previous Year ₹ 2,00,000)]	25,00,000	25,00,000
	b) Fees for other services	3,50,000	11,38,842
	c) Out-of pocket expenses	1,33,912	1,56,131
		29,83,912	**37,94,973**
(ii)	Cost audit fees [Including expenses ₹ 12,773 (Previous year: ₹ 8,345)]	1,22,773	1,18,345

(iii) Revenue expenditure charged to statement of profit and loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 1,75,12,523 (fully paid) [Previous year : ₹ 1,04,66,626 (fully paid)].

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities as per section 135 of the Companies Act, 2013 was ₹ 1,71,00,099 (Previous year: ₹ 99,90,426).

No capital expenditure on Corporate Social Responsibility (CSR) has been incurred during the year and in Previous year.

(iv) Property, plant and equipment amounting to ₹ 22,67,695 written off during the year (Previous year : ₹ 1,89,57,147).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 24: ACCOUNTING POLICIES

1) Company Information

TRL Krosaki Refractories Limited ("the Company") is a public limited company incorporated in India with its registered office situated at Belpahar, Jharsuguda District, Odisha, India.

The Company is primarily engaged in the business of manufacturing of wide range of refractories like Basic, Dolomite, High Alumina, Monolithic, Silica, Flow Control and Tap Hole Clay and providing refractories engineering and management services.

The financial statements as at 31 March 2020 present the financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee (₹), which is the currency of the primary economic environment in which the Company operates.

The consolidated financial statements as at March 31, 2020 present the financial position of the Company as well as its interests in associate companies using equity method.

As at 31 March 2020, Krosaki Harima Corporation owns 77.62% of the equity shares of the Company and has the ability to influence the Company's operations. Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation) is having significant influence over the Krosaki Harima Corporation.

The list of Associates, which are included in the consolidation and the Company's holding therein are as under:

Particulars	Ownership in %		Country of Incorporation
	As at March 31, 2020	As at March 31, 2019	
Almora Magnesite Limited	38.995%	38.995%	India
TRL Krosaki Asia Pte. Ltd.	37%	37%	Singapore

2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, and other provisions of the Act, as amended from time to time.

The financial statements of the Company for the year ended 31 March 2020 were approved for issue in accordance with the resolution of the Board of Directors on 23 June 2020.

b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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.

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the Company's share of profits of associates that are consolidated using the equity method of consolidation. Unrealised gains from the transaction with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

d) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in the estimates are made as management becomes aware of such changes. The changes in estimates are recognised in the period in which the estimates are revised.

Significant judgements and estimates relate to the following-

i. carrying values of assets and liabilities include useful lives of tangible and intangible assets

ii. provision for employee benefits and other provisions

iii. commitments and contingencies and measurement of fair values; and

iv. Valuation of deferred tax assets / liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Estimation uncertainty relating to the global health pandemic on COVID-I9

In assessing the recoverability of receivables, assets, intangible assets, and certain investments, the Company has considered internal and external information upto the date of approval of these consolidated financial statements. The Company has performed analysis and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted significantly by COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

e) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as incurred. When a replacement occurs, the carrying amount of the replaced part is de- recognised.

Property, plant and equipment are stated at cost/deemed cost, less accumulated depreciation and impairment, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as a part of cost of qualifying asset. Deemed cost represents the carrying value of the property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP.

The gain or loss arising on disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying value of such item and is recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital Work-in-Progress”.

f) Intangible assets

Cost incurred for Development of mines and software are recognized in the Balance Sheet as intangible assets when it is probable that associated future economic benefits would flow to the company and its cost can be measured reliably. These are initially measured at purchase cost and then amortised on a straight -line basis over their estimated useful lives. All other costs on development of mines and software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

g) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation or amortisation is provided under the straight line method, based on the estimated useful life, as determined by technical evaluation of the useful life of the assets, in terms of Schedule II to the Companies Act, 2013.

Assets individually costing up to ₹ 25,000 are fully depreciated or amortized in the year of acquisition.

Freehold Land is not depreciated.

The charge of depreciation or amortization commences from the date the assets are available for their intended use. Depreciation on assets under construction commences only when the assets are ready for their intended use. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful lives of assets and residual values are reviewed periodically and, adjusted if appropriate at the end of reporting period.

As the estimated useful life of some of the assets is significantly different from the useful life given in the Schedule II to Companies Act, 2013, the useful life of the assets has been assessed based on the number of years for which the assets have already been put to use and the estimated minimum balance period for which the assets can be used in the Company. The residual values are not more than 5% of the original cost of the asset.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Sl No	Class of Assets	Estimated Useful Life (in years)
I	**Buildings and Roads**	
	Roads	10
	Factory Buildings and Reservoir	30
	Other Buildings (RCC Structure)	60
II	**Plant and Machinery**	
	Grinder	8 to 15
	Mixture, Press Drying Chambers, Shuttle Kiln	10 to 15
	Gas Producer, Kiln and Shaft Kiln	25
	Kiln Car	10
	Workshop Equipment	10 to 15
	Research and development equipment	10
	Gunning Machine, Mixture Machine and other equipment used at Customer site.	5 to 8
	Other Equipment	5 to 15
III	**Railway Siding**	**15**
IV	**Furniture and Fixture and Office Equipment**	
	Furniture fittings, office equipment, computer, cinema and audio-visual equipment	5
	Hospital, canteen equipment, electric fittings	10
V	**Vehicles**	
	Motor car, Jeep, motorcycle	5
	Motor Lorry and mobile equipment	8
VI	**Intangible Assets**	
	Software	10
	Development of mines	10 years or lease period whichever is less

h) Impairment:

At each Balance Sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible asset 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 of an asset (or a cash generating unit) is the higher of fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset 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.

An impairment loss recognized in prior accounting periods is reviewed at each Balance Sheet date to assess whether there is any indication that the impairment loss recognized may no longer exist or may be decreased.

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 recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

I) Leases

The Company as a lessee.

The Company's lease asset classes primarily consist of leases for buildings. 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 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 in which it is a lessee, 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 include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. 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.

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 weighted average incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Under the erstwhile standard Ind AS 17, operating lease payments as per terms of the agreement, were recognised as an expense in the Statement of Profit and Loss on a straight line basis, except where another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Effective April 1,2019, the Company adopted Ind AS116 'Leases" and applied the standard to lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the lease liabilities is recognized at the present value of lease payment discounted at the weighted average incremental borrowing rate and same amount is recognized for ROU assets. Comparatives as at and for the year ended March 31, 2019 have not been restated.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and low value leases on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash out flows from financing activities on account of lease payments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 6.85%.

Refer note-29 for impact of Ind AS 116.

j) Equity accounted investments :

The Company's interest in equity accounted investments comprises interest in associates.

An associate is an entity in which Company has significant influence, but not control over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost / deemed costs. Subsequent to initially recognition the consolidated financial statements include the Company's share of profit or loss and OCI of equity accounted investments until the date on which significant influences ceases.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

k) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

i. Financial assets

Cash and bank balances

Cash and bank balances consist of:

Cash and cash equivalents - which includes cash in hand, cheques in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than 3 months from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Other balances with bank- which includes balances and deposits with banks having maturity of more than three months but less than 12 months and are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:

These financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

The Company in respect of certain equity instruments which are not held for trading, has made an irrevocable election to present subsequent changes in the fair value of such equity instruments in other comprehensive income.

Impairment of financial assets

The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

Loss allowance for financial asset measured at amortised cost is deducted from gross carrying amount of asset.

De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

ii. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

A financial liability is classified at fair value through profit and loss account, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

Offsetting

Financial assets and financial liabilities are off set and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to release the asset and settle the liability simultaneously.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange. The instruments are confined principally to forward foreign exchange contracts.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The fair values for forward currency contracts are marked to market at the end of each reporting period. The Company adopts hedge accounting for forward foreign exchange contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied, the Company treats the hedge relationship in relation to foreign currency exposure as fair value hedges of recognised assets and liabilities. Changes in fair value of the hedged assets and liabilities, attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of the symmetrical changes in the fair value of the derivatives.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Statement of Profit and Loss for the period.

l) Employee benefits

The Company's retirement benefit obligation are subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's Balance Sheet and the statement of profit and loss. The Company sets these judgement based on previous experience and third party actuarial advice.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Defined contribution plans

Payments to defined contribution plans such as Company's Provident Fund, Super Annuation Fund, Employee Pension Scheme, Employee State Insurance Scheme and Her Majesty's Revenue and Customs, UK (HMRC) are charged as an expense as they fall due. Payments made to above schemes are dealt with as payments to defined contribution schemes, as the Company has no further defined benefit obligation beyond the monthly contribution except for the contribution to Provident Fund Trust which require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

Defined benefit plans

Post Retirement Gratuity

For post-retirement gratuity schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end Balance Sheet date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense, when the plan amendment or curtailment occurs, or when any related restructuring cost or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined-benefit obligation, as reduced by the fair value of plan assets.

Post-Retirement Medical Benefit

The company has a policy to give medical benefit to the retired employees at its own hospital at Belpahar not exceeding the amount of expense defined in its medical policy. The obligation of this service is measured and recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Pension to Directors

Pension payable to directors after their retirement as per the contractual agreement are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost and net interest on the net defined benefit liability / (asset) is recognised as an expense within employment costs.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date. Re-measurement gains and losses of the compensated absence is recognised immediately in Statement of Profit and Loss.

Employee Separation Scheme

Compensation to employees who have opted for retirement under the Friendly Departure Scheme of the Company is charged off in the year in which the employee is relieved from the services of the Company.

m) Inventories

I. **Raw materials, Stores and Spares, Loose Tools and Fuel:**

Raw materials, stores and spares, loose tools and fuel are valued at weighted average cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw materials, stores and spares, loose tools and fuel held for use in the production of finished products are not written down below cost except in cases where material prices have declined or the cost of the finished products has exceeded its net realisable value.

ii. **Finished goods:** These are valued at lower of cost and net realisable value. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of inventories is generally ascertained on weighted average basis.

iii. **Work in Progress:** These are valued at cost. Costs are calculated at full absorption cost basis which includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv. **Stock-in-trade:** These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

Provisions are made for slow moving and obsolete items based on historical experience of utilization on a product category basis and ageing policy as defined by the Company.

n) Cash Flow Statement

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

o) Non-Current assets held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are not depreciated or amortised.

p) Provisions (other than employee benefits) and contingent liabilities

Provisions are recognised in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Constructive obligation is an obligation that derives from an entity's actions where:

i. by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

ii. as a result, the entity has created a valid expectation on the part of those other parties that it will discharge such responsibilities.

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

The Company does not recognise a Contingent Liability but discloses its existence in the Financial Statements.

q) Income taxes

Income tax comprises current and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value 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 asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid 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. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

r) Revenue recognition

Effective 01 April 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers”. The core principle of the new standard was that the revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

The company derives revenue primarily from sale of refractories and installation & maintenance services. Revenue is recognised when the customer obtains the control of the goods & services as per the terms & condition of the contracts. Company determines at contract inception whether each performance obligation will be satisfied (i.e. Control will be transferred) over time or at a point in time.

- Revenue from material supply is recognised on transfer of control over the product.
- Revenues from service contracts is recognised on completion of performance obligation.

Interest Income

Interest income is accrued on a time proportion basis by reference to the principle outstanding and the effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

Rental Income

Rental income is recognised on a straight line basis over the term of the relevant arrangements.

Commission Income

Commission income is recognised when the services have been rendered.

Export incentives

Export incentives under the Duty Drawback Scheme are recognized on the basis of credits given in the bank or on receipt of duty credit scrips.

s) Government Grants

Government grants related to expenditure on property, plant and equipment are deducted from the cost of the property, plant and equipment in calculating the carrying amount of the asset.

t) Foreign currency transactions and translation

The financial statements of the Company are presented in Indian Rupees (Rs), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the entity’s functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period.

Exchange differences arising on translation or settlement of long-term foreign currency monetary items is accounted in the statement of profit and loss for the period.

u) Borrowing Costs

Borrowings 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, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

v) Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
(Amount in ₹, except otherwise stated)

25 Contingent Liabilities

Contingent liabilities in respect of -

		As at 31 March 2020	As at 31 March 2019
			₹
Claims against the Company not acknowledged as debts in respect of -			
—	Income tax matters	20,59,59,575	20,59,59,575
—	Sales tax / value added tax / entry tax matters	10,26,09,485	11,35,14,487
—	Excise duty matters	4,70,65,166	4,00,13,670
—	Other matters	5,73,78,893	1,78,07,203

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

In the ordinary course of business, the Company faces claims and assertions by various parties. The following is a description of claims and assertions where a potential loss is possible but not probable. There are claims which the Company does not believe to be of material nature, other than those described below:

Income Tax:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These are mainly for transfer pricing issues and disallowance of expenses claimed by the Company as deductions. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. As at March 31, 2020, there are matters and/or disputes pending in appeal amounting to Rs. 20,59,59,575 (Previous Year: ₹ 20,59,59,575).

Sales tax /value added tax/ entry tax/ Excise duty matters

The Company has demands that are being contested by the Company in different years amounting to ₹ 14,96,74,651 (Previous Year: ₹ 15,35,28,157). These are mainly for non submission of concessional forms.

Demand by Mining Officer:

The Dy. Director Mines, Sambalpur Circle had raised a demand of ₹ 5.39 Cr on 26.08.2019 for excess production of Quartzite, a minor mineral under MMDR Act, during 2000 to 2010 under section 21(5) of MMDR Act, 1957, based on the common cause judgment dated 2nd August, 2017 of Hon'ble Supreme Court of India. The Company challenged the said demand of Mining Department, Govt. of Odisha through a Writ petition before the Hon'ble High Court of Orissa, Cuttack. The Company is of the view that, the demand under Section 21(5) of the MMDR Act is not applicable because the impugned demand is based on the judgement of Hon'ble Supreme Court of India in the case of Common Cause vrs. Union of India reported in (2017) 9 SCC 499. The decision referred in the Supreme Court Order was intended to deal with mining leases of Iron Ore and Manganese Ore in the districts of Keonjhar, Sundergarh and Mayurbhanj and has no application to the facts of the case. Moreover, the mining officer has not conducted any enquiry on illegal mining of the Company. In view of this the Company is of the view that it has a strong case to contest on merit. Based on the legal opinion obtained by the Company and as per the management assessment of the case, the Company is of the view that it has a strong case to contest on merit and there will not be any outflow of resources by the Company.

Other Claims

Other civil cases for which the Company may contingently be liable aggregate to ₹ 34,07,203 (Previous Year: ₹ 49,07,203).

26 Water Rate Dispute

The Company has been drawing water from Lilhari Nullha, a natural water stream. Up to 1994, as per the Orissa Irrigation Act, the water rate was payable for drawing water from irrigation work. Natural water streams like Lilhari Nullha were not covered in the definition of irrigation work, as given in Section 4(9) of the Act. Definition of 'government water source' was inserted in Section 4(6-a) of the Act in 1994, which covers natural water sources like Lilhari Nullha, and the Company has been paying water rate since then. However, the Government of Odisha demanded an amount of ₹ 57,77,600 towards water rate and penalty for the period prior to 1994 which has been stayed by the Hon'ble High Court of Odisha. Water Resources Department, Government of Odisha, has been charging monthly compounded interest @ 2% on the disputed amount and the total interest charged up to 31 March 2020 is ₹ 65,75,31,550. The total disputed demand, together with interest as on 31 March 2020 is ₹ 66,33,09,150. Hon'ble High Court of Odisha has stayed charging of monthly compound interest of 2% and passed an order that compound interest @ 2% will not be allowed to charge until further orders. During the year, the Hon'ble High Court of Odisha has directed the Government of Odisha and the Company to negotiate and settle the dispute inline with the settlements made by the Government of Odisha with other companies. Based on the assessment made by the Company, as per the above order, the amount required to be paid, if any, will not be material.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

27 Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of advances paid ₹ 95,37,77,114 (Previous Year: ₹ 21,46,16,738).

28 The Company is engaged in the business of manufacturing, trading and sale of a range of refractories and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly manufacture and sale of refractories is the only operating segment. There is only one customer (Previous Year: One) contributing more than 10% of total revenues of the company amounting to ₹ 268,99,57,087 (Previous Year: ₹ 219,13,55,348). The Company is domiciled in India, however also sells its products outside India. Revenue from geographic segments based on location of customer is (a) Domestic ₹ 1324,29,00,150 (Previous Year: ₹ 1300,87,51,824) and (b) Rest of the world: ₹ 326,80,23,660 (Previous Year: ₹ 291,31,36,149). Non-current assets from geographic segments based on location of customer is (a) Domestic ₹ 412,94,71,492 (Previous Year: ₹ 290,65,14,507) and (b) Rest of the world: Nil (Previous Year: Nil).

29 Company as a Lessee

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2020.

Particulars	Buildings
Balance as of April 1, 2019	–
Reclassified on account of adoption of Ind AS 116 as at 1 April 2019	20,05,47,424
Additions	26,57,221
Deletion	–
Depreciation	1,87,11,055
Balance as of March 31, 2020	**18,44,93,590**

The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at 31 March 2020
Current lease liabilities	99,51,139
Non-current lease liabilities	18,54,54,065
Total	**19,54,05,204**

The following is the movement in lease liabilities during the year ended March 31, 2020.

Particulars	As at 31 March 2020
Balance as of April 1, 2019	–
Reclassified on account of adoption of Ind AS 116 as at 1 April 2019	20,05,47,424
Additions	26,57,221
Finance cost accrued during the year	1,39,13,938
Deletion	–
Payment of lease liabilities	2,17,13,379
Balance as of March 31, 2020	**19,54,05,204**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31 March 2020
Less than one year	2,35,02,793
One to five years	9,83,28,039
More than five years	18,64,68,628
Total	**30,82,99,460**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

The Company incurred ₹ 3,82,72,660 for the year ended 31 March 2020 towards expenses relating to short term leases and leases of low value assets.

The total cash outflow for leases is ₹ 5,99,86,039 for the year ended 31 March 2020, including cash outflow for short term and leases of low value assets.

Company as a Lessor

Company has leased out buildings to its employees and has also provided leased accomodation to its employees for residential purposes. There is no such long term contracts with employees for the above leasing. The total rental income with respect to above leasing activities amounts to ₹ 1,78,68,317 (previous year ₹ 1,73,35,163) included in note 17(c).

30 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

31 Employee Benefits

The relevant details with respect to employee benefits are given here below:

(1) Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognized in relation to the schemes represents the value of contributions payable during the period by Company at rates specified by the rules of those plans.

a) Provident Fund and Employees Pension Fund

In accordance with the prevailing Indian law, eligible employees of the Company are entitled to receive benefits in respect of Provident Fund, a defined contribution plan, in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

As per the provisions of the Provident Fund and Miscellaneous Provisions Act, 1952 contribution to Provident Fund is made to an irrevocable trust set up by the Company and contribution to pension fund is deposited with the Regional Provident Fund Commissioner. The rules of the Company's provident fund administered by a trust, require that if the Board of the Trustee are unable to pay interest at the rate declared by the Government for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company, making the interest shortfall a defined benefit obligation.

b) Superannuation Fund

The Company has a superannuation plan. Employees who are members of the superannuation plan are entitled to benefits depending on the contribution made by Company and rate of interest declared by the superannuation trust. A separate irrevocable trust is maintained for employees covered and entitled for this benefit. The Company contributes 15% of basic salary, of the eligible employees' to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

c) Other funds

The Company contributes to the Employees State Insurance scheme as per the provisions of Employees State Insurance Act , 1948 and to Her Majesty's Revenue and Customs, UK as per provisions laid down by the UK Government for the social security and welfare of the employees.

d) Expenses recognized in respect of above The Company has recognized, in the Statement of Profit and Loss account for the year ended 31 March 2020, an amount of ₹ 9,05,82,210 (Previous Year: ₹ 7,96,74,006) being expenses under the defined contribution plans, as given below:

Benefit (Contribution to)	**April 2019 to March 2020** ₹	April 2018 to March 2019 ₹
Company's Provident Fund contribution to trust	3,38,18,985	2,93,89,578
Superannuation Fund	3,65,46,307	3,19,07,019
Employee Pension Scheme	1,89,16,083	1,71,86,459
Employee state insurance scheme	54,745	61,070
Her Majesty's Revenue and Customs, UK	12,46,090	11,29,880
	9,05,82,210	**7,96,74,006**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(2) Defined Benefit Plans

The Company operates post retirement defined benefit plans as follows:

a) Funded

(i) Post Retirement Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides lump-sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

b) Unfunded:

(i) Post Retirement Medical Benefits

The Company has a Post-Retirement Medical Benefit Scheme (PRMB), under which the retired employees and their spouses are eligible for free medical benefits in the Company's hospital during their lifetime upto a ceiling fixed by the Company. The liability for the same is recognized annually on the basis of actuarial valuation.

(ii) Pension to Directors

The Company has Ex-MD Pension Scheme, under which the retired managing director gets a monthly pension. The liability for the same is recognized annually on the basis of actuarial valuation. The Company is exposed to the increase in the pension amount in each 3 years.

c) i) Details of the Post Retirement Gratuity plan are as follows:

		April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
I.	**Change in present value of defined benefit obligation during the year**		
1.	Present Value of defined benefit obligation as at the beginning of the year	30,45,52,567	25,97,49,040
2.	Current Service Cost	1,92,64,680	1,47,26,730
3.	Interest Cost on the defined benefit obligation	2,06,15,020	1,82,14,570
4.	Actuarial (gains)/ losses - Experience	(11,82,230)	1,67,21,670
5.	Actuarial losses - Financial Assumptions	1,64,69,260	2,93,31,063
6.	Benefits paid from plan assets	(2,54,15,890)	(3,41,90,506)
7.	Closing Present Value of defined benefit obligation	**33,43,03,407**	**30,45,52,567**
II.	**Change in fair value of plan assets during the year**		
1.	Fair Value of assets at the beginning of the year	27,67,78,084	22,28,93,200
2.	Interest Income on Plan Assets	2,10,39,100	1,80,75,390
3.	Employer contributions	4,00,00,000	7,00,00,000
4.	Return on plan assets greater than discount rate	–	–
5.	Benefits paid	(2,54,15,890)	(3,41,90,506)
6.	Fair Value of Plan assets at the end of current year	**31,24,01,294**	**27,67,78,084**
III.	**Net liability recognized in the balance sheet**		
1.	Fair value of plan assets	31,24,01,294	27,67,78,084
2.	Present value of obligation	33,43,03,407	30,45,52,567
3.	Amount recognized in the balance sheet	**2,19,02,113**	**2,77,74,483**
IV.	**Expense recognized in the statement of profit and loss for the year**		
1.	Current service cost	1,92,64,680	1,47,26,730
2.	Net interest on net defined benefit liability	(4,24,080)	1,39,180
3.	Total expenses included in employee benefits expense	**1,88,40,600**	**1,48,65,910**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

V. Recognized in other comprehensive income for the year		
1. Actuarial (gains)/ losses due to defined benefit obligation experience	(11,82,230)	1,67,21,670
2. Actuarial loss due to defined benefit obligation financial assumption changes	1,64,69,260	2,93,31,063
3. Return on plan assets greater than discount rate	–	–
4. Actuarial loss recognized in other comprehensive income	**1,52,87,030**	**4,60,52,733**
VI. Maturity profile of defined benefit obligation		
1. Within the next 12 months (next annual reporting period)	3,44,08,170	4,62,32,050
2. Between 2 and 5 years	12,29,96,770	13,09,33,070
3. Between 6 and 10 years	18,94,51,600	16,15,74,250
VII. Quantitative sensitivity analysis for significant assumption is as below		
1. Increase/ (decrease) on present value of defined benefits obligation at the end of the year		
(i) One percentage point increase in discount rate	(2,34,77,820)	(1,99,55,590)
(ii) One percentage point decrease in discount rate	2,82,95,900	2,30,35,800
(i) One percentage point increase in rate of salary increase	2,78,99,890	2,28,22,860
(ii) One percentage point decrease in rate of salary increase	(2,35,96,130)	(2,01,41,980)

2. Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

VIII. Investment Details

The full amount has been invested in the Cash Accumulation Scheme of Life Insurance Corporation of India.

	April 2019 to March 2020	April 2018 to March 2019
IX. Assumptions		
a. Discount rate (per annum)	6.75%	7.50%
b. Rate of escalation in salary (per annum)	7.50%	7.50%

ii) Details of non-funded post retirement defined benefit obligations are as follows:

Description	April 2019 - March 2020 ₹		April 2018 - April 2019 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
I Reconciliation of opening and closing balances of obligation				
1. Present Value of defined benefit obligation as at the beginning of the year	6,76,13,963	4,33,89,465	6,78,56,820	4,14,98,220
2. Current Service Cost	12,90,000	—	17,91,960	—
3. Interest Cost on the defined benefit obligation	48,86,080	31,38,400	49,13,218	29,96,385
4. Actuarial (gains)/ losses - Experience	8,81,250	(35,46,040)	(22,53,602)	20,11,860
5. Actuarial losses- Financial Assumptions	56,71,880	40,81,680	—	—
6. Benefits paid directly by the Company	(49,32,355)	(31,36,800)	(46,94,433)	(31,17,000)
7. Closing Present Value of defined benefit obligation	**7,54,10,818**	**4,39,26,705**	**6,76,13,963**	**4,33,89,465**
II. Expense recognized in the statement of profit and loss for the year				
1. Current service cost	12,90,000	—	17,91,960	—
2. Net interest on net defined benefit liability	48,86,080	31,38,400	49,13,218	29,96,385
3. Total expenses included in employee benefits expense	**61,76,080**	**31,38,400**	**67,05,178**	**29,96,385**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Description	April 2019 - March 2020 ₹		April 2018 - April 2019 ₹	
	Medical	Ex-MD Pension	Medical	Ex-MD Pension
III. Recognized in other comprehensive income for the year				
1. Actuarial (gain)/ loss due to defined benefit obligation experience	8,81,250	(35,46,040)	(22,53,602)	20,11,860
2. Actuarial loss due to defined benefit obligation financial assumption changes	56,71,880	40,81,680	—	—
3. Actuarial (gains)/ losses recognized in other comprehensive income	65,53,130	5,35,640	(22,53,602)	20,11,860
IV. Assumptions				
a. Discount rate (per annum) at the beginning of the year	7.50%	7.50%	7.50%	7.50%
b. Discount rate (per annum) at the end of the year	6.75%	6.75%	7.50%	7.50%
c. Rate of pension increase	—	8.00%	—	8.00%
d. Medical costs inflation rate	4.00%	—	4.00%	—
e. Average Medical Cost (Rs./ person)	1,750	—	1,660	—
V. Quantitative sensitivity analysis for significant assumption is as below				
Increase/ (decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(73,91,700)	(34,83,500)	(63,05,330)	(34,30,680)
(ii) One percentage point decrease in discount rate	89,88,020	40,08,100	75,95,920	39,48,090
(i) One percentage point increase in medical inflation rate	91,53,950	—	77,95,370	—
(ii) One percentage point decrease in medical inflation rate	(76,35,580)	—	(65,56,050)	—
(i) One percentage point increase in pension rate	—	39,19,400	—	38,89,810
(ii) One percentage point decrease in pension rate	—	(34,75,910)	—	(34,45,630)
VI. Maturity profile of defined benefit obligation				
1. Within the next 12 months (next annual reporting period)	48,61,500	30,10,140	46,56,330	30,22,690
2. Between 2 and 5 years	2,14,69,960	1,25,58,300	2,05,63,830	1,31,02,220
3. Between 6 and 10 years	3,20,36,250	5,22,41,540	3,06,84,170	5,99,52,010

d) Risk exposure

Through its defined benefit plans, the Company is exposed to discount rate risk, salary growth risk, inflation risk, pension increment risk and demographic risks of mortality and attrition rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

32 Income Taxes

a. A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Particulars	**April 2019 to March 2020** ₹	April 2018 to March 2019 ₹
Profit before tax	135,57,06,840	133,42,92,925
Less: (Profit) of associate Company	(4,18,79,228)	(3,47,48,924)
Less: Expenses recognized in other comprehensive income	2,23,75,800	4,58,10,991
Adjusted Profit before tax (A)	129,14,51,812	125,37,33,010
Tax rate (B)	25.168%	34.944%
Tax expense (A*B)	32,50,32,592	43,81,04,463
Add: Tax effect of expenses that are not deductible for tax purposes:		
CSR Expenses	44,07,902	36,57,458
Add: Taxation for earlier years	(16,19,521)	12,63,553
Less: Tax effect of Income exempt from tax: Dividend Income	(25,170)	(22,714)
Add: Additional tax expense (deferred tax expense) due to change in tax rate	(2,56,58,969)	—
Less: Other differences	(22,10,288)	(7,13,948)
Income tax expense charged to the Statement of Profit and Loss	**29,99,26,546**	**44,22,88,812**
Tax expense recognized in profit and loss	30,19,90,048	45,83,81,479
Income tax expenses recognized in Other Comprehensive Income	(20,63,502)	(1,60,92,667)
Income tax expense charged to the Statement of Profit and Loss	**29,99,26,546**	**44,22,88,812**

b. The tax effect of significant temporary differences that resulted in deferred tax liability are as follows:

Particulars	**Balance sheet**		**Statement of profit and loss**		**Other comprehensive income**	
	As at 31.03.2020 ₹	As at 31.03.2019 ₹	April '19 to March '20 ₹	April '18 to March '19 ₹	April '19 to March '20 ₹	April '18 to March '19 ₹
Deductible temporary difference						
(i) Expense/ provision allowed on payment basis	5,48,33,734	11,05,58,930	(5,95,72,941)	(5,61,495)	38,47,745	1,60,92,667
(ii) Unpaid Royalty	2,09,33,734	1,25,44,084	83,89,650	(35,16,396)	—	—
(iii) Friendly departure scheme	14,42,207	28,80,077	(14,37,870)	(7,28,910)	—	—
(iv) Others	2,61,22,698	38,79,673	2,22,43,025	38,79,673	—	—
Total (A)	**10,33,32,373**	**12,98,62,764**	**(3,03,78,136)**	**(9,27,128)**	**38,47,745**	**1,60,92,667**
Taxable temporary difference						
Property, Plant and Equipment	16,19,25,214	22,15,98,696	(5,96,73,482)	(1,64,57,525)		
Deffered tax liability on share of profit of associate	10,32,406	59,88,346	(49,55,940)	59,88,346	—	—
Total (B)	**16,29,57,620**	**22,75,87,042**	**(6,46,29,422)**	**(1,04,69,179)**	**—**	**—**
Deferred Tax liability (B-A)	**5,96,25,247**	**9,77,24,278**	**(3,42,51,286)**	**(95,42,051)**	**(38,47,745)**	**(1,60,92,667)**

Net impact in Statement of Profit and Loss / Other Comprehensive Income *

* The total income tax expenses recognised in the Statement of Profit and Loss under Other Comprehensive income is inclusive of deferred tax release ₹ 38,47,745 (Previous year - ₹ 1,60,92,667) and current tax ₹ 17,84,243 (Previous year - ₹ Nil).

c. Reconciliation of deferred tax liability

Particulars	**As at 31 March 2020** ₹	**As at 31 March 2019** ₹
Opening balance as at 1 April	9,77,24,278	12,33,58,996
Less: Deferred tax release during the year	(3,80,99,031)	(2,56,34,718)
Closing balance as at 31 March	**5,96,25,247**	**9,77,24,278**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

33 Reconciliation of Liabilities from Financing activities as stated in the Statement of Cash Flows are as follows :-

Particulars	Balance as at 1 April 2019	Cash Flows	Non-Cash Changes	Balance as at 31 March 2020
Borrowings	219,01,28,280	12,71,37,944	1,44,13,772	233,16,79,996
Total Liabilities from financing activities	**219,01,28,280**	**12,71,37,944**	**1,44,13,772**	**233,16,79,996**

Particulars	Balance as at 1 April 2018	Cash Flows	Non-Cash Changes	Balance as at 31 March 2019
Borrowings	162,63,53,706	57,95,36,962	(1,57,62,388)	219,01,28,280
Total Liabilities from financing activities	**162,63,53,706**	**57,95,36,962**	**(1,57,62,388)**	**219,01,28,280**

34 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, the 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 24(2)(k) to the financial statements.

(a) Financial Instruments by Category

The following table presents carrying amount and fair value of each category of financial asset and liabilities.

As at 31 March 2020

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	274,21,82,238	-	-	274,21,82,238	274,21,82,238
Investments	-	86,19,000	-	86,19,000	86,19,000
Cash and bank balances	96,39,728	-	-	96,39,728	96,39,728
Loans	8,90,49,431	-	-	8,90,49,431	8,90,49,431
Other financial assets	3,73,56,165	-	-	3,73,56,165	3,73,56,165
Total	287,82,27,562	86,19,000	-	288,68,46,562	288,68,46,562
Financial liabilities					
Borrowings	233,16,79,996	-	-	233,16,79,996	233,16,79,996
Trade payables	215,04,74,003	-	-	215,04,74,003	215,04,74,003
Lease liabilities	19,54,05,204	-	-	19,54,05,204	19,54,05,204
Other financial liabilities	8,45,86,039	-	35,23,863	8,81,09,902	8,81,09,902
Total	476,21,45,242	-	35,23,863	476,56,69,105	476,56,69,105

As at 31 March 2019

Particulars	Amortised cost ₹	Fair value through other comprehensive income ₹	Derivative instruments ₹	Total Carrying Value ₹	Total Fair Value ₹
Financial assets					
Trade receivables	218,54,29,201	-	-	218,54,29,201	218,54,29,201
Investments	-	1,15,94,500	-	1,15,94,500	1,15,94,500
Cash and bank balances	11,78,50,685	-	-	11,78,50,685	11,78,50,685
Loans	8,36,58,861	-	-	8,36,58,861	8,36,58,861
Other financial assets	3,47,68,006	-	-	3,47,68,006	3,47,68,006
Total	**242,17,06,753**	**1,15,94,500**	**-**	**243,33,01,253**	**243,33,01,253**
Financial liabilities					
Borrowings	219,01,28,280	-	-	219,01,28,280	219,01,28,280
Trade payables	208,34,44,921	-	-	208,34,44,921	208,34,44,921
Lease liabilities	-	-	-	-	-
Other financial liabilities	11,46,00,782	-	70,09,881	12,16,10,663	12,16,10,663
Total	**438,81,73,983**	**-**	**70,09,881**	**439,51,83,864**	**439,51,83,864**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below-

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

As at 31.03.2020

Particulars	Carrying Amount	Fair Value		
		Level 1	Level 2	Level 3
	₹	₹	₹	₹
Financial assets				
Investment - Equity share (HDFC Bank)	86,19,000	86,19,000	—	—
Financial liabilities				
Derivative liabilities - forward cover	35,23,863	—	35,23,863	—
As at 31 March 2019				
Financial assets				
Investment - Equity share (HDFC Bank)	1 ,15,94,500	1 ,15,94,500	—	—
Financial liabilities				
Derivative liabilities - forward cover	70,09,881	—	70,09,881	—

(c) Financial Risk Management Policies And Objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variables interest rates. Any movement in the reference rates could have an impact on the Company's cash flow as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

The non-derivative financial liabilities of the Company are all payable within 12 months. (Refer Note 13 and 14)

The following table shows a maturity analysis of the anticipated cash flows including future interest obligations for derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Particulars	Carrying Value	Contractual Cash flow	Less than one year	Between one to five years	More than five years
Non derivative financial liabilities					
Borrowings including interest obligations	233,16,79,996	257,86,95,957	153,40,56,196	104,46,39,761	—
	219,01,28,280	*219,01,28,280*	*219,01,28,280*	—	—
Trade payables	215,04,74,003	215,04,74,003	215,04,74,003	—	—
	208,34,44,921	*208,34,44,921*	*208,34,44,921*	—	—
Lease liabilities	19,54,05,204	30,82,99,460	2,35,02,793	9,83,28,039	18,64,68,628
	—	—	—	—	—
Other financial liabilities	8,45,86,039	8,45,86,039	8,45,86,039	—	—
	11,46,00,782	*11,46,00,782*	*11,46,00,782*	—	—
Derivative financial liabilities	35,23,863	35,23,863	35,23,863	—	—
	70,09,881	*70,09,881*	*70,09,881*	—	—

Note- Figures in italics relates to previous year.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

(d) Foreign Currency exposure as at 31 March 2020

₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	55,48,39,756	22,79,21,411	—	1,50,82,276	26,42,810	80,04,86,254
Bank balance in Current account	—	—	—	6,48,435	—	6,48,435
Other Assets	12,03,954	6,61,84,510	—	—	1,90,94,878	8,64,83,341
Financial Liabilities						
Trade Payables	(49,09,11,208)	(1,50,96,539)	(3,35,31,208)	(4,19,556)		(53,99,58,511)
Loan in Foreign Currency	(25,01,94,679)	(15,99,57,297)	—	(2,66,83,570)	—	(43,68,35,546)
Advance from Customers	(3,77,05,040)	(36,424)	—	—	—	(3,77,41,465)
Net Exposure to Foreign Currency Risk	**(22,27,67,217)**	**11,90,15,660**	**(3,35,31,208)**	**(1,13,72,415)**	**2,17,37,688**	**(12,69,17,492)**

Foreign Currency exposure as at 31 March 2019

₹

Particulars	USD	EUR	JPY	GBP	Others	Total
Financial Assets						
Trade Receivables	60,37,83,937	4,80,24,143	—	5,45,79,670	26,42,810	70,90,30,560
Bank balance in Current account	—	—	—	9,38,598	—	9,38,598
Other Assets	94,35,557	5,12,541	—	—	36,695	99,84,793
Financial Liabilities						
Trade Payables	(36,18,98,736)	(11,79,42,924)	(4,61,03,412)	(2,20,146)	(25,00,209)	(52,86,65,427)
Loan in Foreign Currency	(43,75,87,835)	(5,41,30,251)	—	(24,85,297)	—	(49,42,03,383)
Advance from Customers	(36,62,064)	—	—	—	—	(36,62,064)
Net Exposure to Foreign Currency Risk	**(18,99,29,141)**	**(12,35,36,491)**	**(4,61,03,412)**	**5,28,12,825**	**1,79,296**	**(30,65,76,923)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

(e) Sensitivity Analysis

1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax

₹

Particulars	April 2019 to March 2020		April 2018 to March 2019	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	(22,27,672)	22,27,672	(18,99,291)	18,99,291
EUR	11,90,157	(11,90,157)	(12,35,365)	12,35,365
JPY	(3,35,312)	3,35,312	(4,61,034)	4,61,034
GBP	(1,13,724)	1,13,724	5,28,128	(5,28,128)
Others	2,17,377	(2,17,377)	1,793	(1,793)
Increase / (decrease) in profit	**(12,69,174)**	**12,69,174**	**(30,65,769)**	**30,65,769**

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation.

The exposure of the Company's floating debt interest obligation and its sensitive analysis are as follows:

	April 2019 to March 2020	April 2018 to March 2019
Company's debt obligation (Floating rates)	233,16,79,996	219,01,28,280

Sensitivity analysis assuming the amount of the liability outstanding at the year end was outstanding for the whole year:

If interest rate had been 25 basis point higher/ lower and all other variables held constant, the company's profit before tax for the ended 31 March 2020 would decrease/ increase by ₹ 58,29,200 (Previous year: ₹ 54,75,321). This is mainly attributable to the company's exposure to interest rates on its floating rate borrowings.

(g) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31 March 2020 is ₹ 86,19,0000 (Previous year: ₹ 1,15,94,500). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

35 Capital management

The Company's capital management is intended to safeguard its ability to continue as a going concern so that to create value for shareholders and benefits for other stakeholders by facilitating the achievement of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances and other financial assets. The table below summarises the capital, net debt and net debt equity ratio of the Company.

	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Total borrowings	233,16,79,996	219,01,28,280
Less: cash and cash equivalents, other bank balances and other financial assets	4,69,95,893	15,26,18,691
Net Debt	**228,46,84,103**	**203,75,09,589**
Equity	**512,20,70,735**	**439,90,33,630**
Total Capital (Equity + Net Debt)	**740,67,54,838**	**643,65,43,219**
Net Debt to Equity Ratio	**0.45**	**0.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

36 Note on Revenue disggregation

	India ₹	Out side India ₹	Total ₹
Sale of products	1141,88,60,841	315,52,06,819	1457,40,67,660
	1207,58,52,663	*278,53,97,981*	*1486,12,50,644*
Income from sale of services	161,96,68,878	11,28,16,841	173,24,85,719
	69,00,24,826	*12,77,38,168*	*81,77,62,994*
Other operating revenue	20,43,70,431	—	20,43,70,431
	24,28,74,335	—	*24,28,74,335*
Total revenue from operations	**1324,29,00,150**	**326,80,23,660**	**1651,09,23,810**
	1300,87,51,824	*291,31,36,149*	*1592,18,87,973*

Figures in italics relates to previous year.

Revenue Reconciliation

	April 2019 to March 2020 ₹	April 2018 to March 2019 ₹
Total Revenue	1656,19,99,606	1596,24,69,031
Less: variable consideration (Cash Discount)	5,10,75,796	4,05,81,058
Total revenue from operations	**1651,09,23,810**	**1592,18,87,973**

- The Company's performance obligations are satisfied on delivery of product or service to the customer. Delivery of product completes when the products have been shipped or delivered to the specific location, of the customer, as the case may be. Delivery of service completes on receipt of confirmation from customer.
- The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

37 Contract Liability

The Company has recognised Revenue from Sale of products and Income from sale of Services amounting to ₹ 1,46,91,106 during the year ended 31 March 2020 against the advance received from customer which was outstanding as on 31 March 2019 (Previous year : ₹ 3,93,32,235 against advance received from customer which was outstanding as on 31 March 2018).

38 Related Party Disclosures

a) **List of related parties of TRL Krosaki Refractories Limited**

Sl. No.	Name	Country of Incorporation	% of Equity Interest As at 31 March 2020	% of Equity Interest As at 31 March 2019
i)	**Parent Entity (Holding Company)**			
	Krosaki Harima Corporation	Japan	77.62	77.62
ii)	**Associate Companies**			
	TRL Krosaki Asia Pte Limited	Singapore	37	37
	Almora Magnesite Limited	India	39	39
iII)	**Entity having significant influence over holding Company (Ultimate Holding Company)**			
	Nippon Steel Corporation (Formerly known as Nippon Steel & Sumitomo Metal Corporation)	Japan		
iv)	**Investors Holding more than 20% (Refer Note 2 below)**			
	Tata Steel Limited (till 31 December 2018)	India		
v)	**Subsidiary of Nippon Steel Corporation**			
	Nippon Steel India Pvt Ltd	India		
	Nippon Steel Engineering India Pvt. Ltd.	India		
	Sanyo Special Steel Co. Ltd	Japan		
vi)	**Fellow Subsidiaries**			
	TRL Krosaki China Limited (formerly know as TRL China Limited)	China		
	Krosaki Harima Europe B.V.	Netherland		
	Krosaki USA Inc.(KUI) (Refer Note 3 below)	USA		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

Sl. No.	Name	Country of Incorporation	% of Equity Interest	
			As at 31 March 2020	As at 31 March 2019
vii)	**Associate of Krosaki Harima Corporation**			
	IFGL Refractories Limited (IFGL) (Formerly known as IFGL Exports Limited)	India		
viii)	**Subsidiaries of Tata Steels Limited (till 31 December 2018)**			
	Tata Steel BSL Limited (formerly known as Bhushan Steel Limited)	India		
	Tata Metaliks Limited	India		
	Tata Sponge Iron Limited	India		
	Natsteel Holdings Pte Limited	Singapore		
	Tata Steel UK Limited	United Kingdom		
	The Siam Construction Steel Co. Limited	Thailand		
ix)	**Joint Venture of Tata Steel (till 31 December 2018)**			
	Tata BlueScope Steel Limited	India		
	TKM Global Logistics Limited	India		
	Mjunction Limited	India		
x)	**Joint Venture of Subsidiary of Nippon Steel Corporation**			
	ArcelorMittal Nippon Steel India Limited (w.e.f. 16 December 2019)	India		
	Mahindra Sanyo Special Steel Pvt Ltd.	India		

xi) Key Managerial Personnel

(I) Directors

Mr. H. M. Nerurkar (Chairman)
Mr. P. B. Panda (Managing Director)
Mr. Sudhansu Pathak
Mr. Sudhir Krishnaji Joshi (up to 20 March, 2020)
Sunanda Lahiri (up to 20 March, 2020)
Mr. Kotaro Kuroda
Mr. Kiyotaka Oshikawa
Mr. Toshikazu Takasu
Mr. Sadayoshi Tateishi
Mr. Takeshi Yoshida
Mr. Hisatake Okumura
Mr. A. K. Rath (up to 25 September, 2019)
Mr. H. P. Singh (up to 11 April, 2019)
Mr. P. V. Bhide (w.e.f 21 March, 2020)
Mr. R. Ranganath Rao (w.e.f 21 March, 2020)

(ii) Other than Directors

Mr. M. V. Rao (Sr. Vice President (Finance) & CFO)
Mr. Arabinda Debta (GM (Legal) & Company Secretary)

xii) Relative of Key Managerial Personnel

Mr. Dinabandhu Panda

xiii) Employees' Benefit Plans

TRL Krosaki Refractories Limited Provident Fund
TRL Krosaki Refractories Limited Superannuation Fund
TRL Krosaki Refractories Limited Gratuity Fund

Note:

(1) The list contains those related parties with whom the Company has transactions during the current or previous year

(2) Krosaki Harima Corporation acquired 26.62% shares of the Company from Tata Steel Limited on 31 December 2018.

(3) Krosaki Magnesita Refractories LLC closed on September 30, 2018 and the liquidation completed on March 29, 2019. All the operations of Krosaki Magnesita Refractories LLC were transferred to Krosaki USA Inc at the end of September 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

b) Transactions with Related Parties

Particulars	Holding Company	Subsidiaries & Associates of the Holding company	Subsidiaries of ultimate Holding company and it's Joint Ventures	Associates of the Company	Tata Steel, it's Subsidiaries and Joint Ventures (Refer note b below)	Key Managerial Personal and relative
Purchase of Raw Materials and goods	15,20,31,361	82,92,48,570	—	1,65,29,879	—	
	17,38,46,972	*57,68,32,292*	—	*1,58,07,913*	*23,60,51,798*	—
Sales and Services	10,34,10,194	24,27,90,932	15,14,04,675	16,17,261	—	—
	18,39,80,595	*17,20,81,439*	—	*86,57,407*	*282,93,81,721*	—
Receiving of Services	3,42,036	5,31,590	—	—	—	—
	—	—	—	—	*1,75,96,678*	—
Interest Expenses	—	—	3,42,394	—	—	—
	—	—	—	—	—	—
Royalty	9,19,00,692	—	—	—	—	—
	7,38,76,523	—	—	—	—	—
Dividend paid	19,79,18,941	—	—	—	—	1,830
	7,03,49,400	—	—	—	*3,67,21,502*	*1,650*
Outstanding Balance-Debtors	1,78,63,388	18,25,21,452	5,24,08,162	—	—	—
	1,01,46,832	*7,44,31,395*	—	*20,67,690*	—	—
Loans and advances given	—	—	—	—	—	—
	—	—	—	—	—	*3,00,000*
Loans and advances recovered	—	—	—	—	—	60,000
	—	—	—	—	—	*35,000*
Outstanding Loan Balance	—	—	—	—	—	2,05,000
	—	—	—	—	—	*2,65,000*
Creditors	14,48,05,916	15,35,04,060	—	—	—	—
	11,41,20,746	*1,16,98,089*	—	*14,60,416*	—	—
Interest Accrued	—	—	3,08,155	—	—	—
	—	—	—	—	—	—
Loans and Advances Received	—	7,38,903	—	—	—	—
	—	*6,78,450*	—	—	—	—
Borrowings (net of repayment)	—	—	17,99,86,223	—	—	—
	—	—	—	—	—	—
Short term employee benefits	—	—	—	—	—	5,41,54,532
	—	—	—	—	—	*3,09,55,535*
Post employment benefits (Refer Note c below)	—	—	—	—	—	30,75,952
	—	—	—	—	—	*29,21,454*
Other long term employee benefits (Refer Note c below)	—	—	—	—	—	—
	—	—	—	—	—	—
Commission	—	—	—	—	—	51,94,000
	—	—	—	—	—	*28,07,000*
Sitting Fees (Refer Note f below)	—	—	—	—	—	15,40,000
	—	—	—	—	—	*22,60,000*

Transactions presented above are inclusive of goods and services tax (GST).

Terms and conditions of transactions with related parties

(a) All related party transactions entered during the year were in ordinary course of the business and are at arm's length basis for the year ended 31 March 2020 and the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

(b) Transactions with Tata Steel Limited and it's subsidiaries and joint ventures are upto 31 December 2018.

(c) As the liabilities for defined benefit plans are provided on actuarial basis for the Company as whole, the amounts pertaining to key managerial personnel and relatives are not included.

(d) During the year, the Company has contributed ₹ 11,03,65,292 (Previous Year: ₹ 13,12,96,597) to the post employment benefit plans to the Trusts managed by the Company.

(e) Figures in italics represent comparative figures of the previous years.

(f) Sitting fees of all nominated directors has been paid to respective nominee companies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(Amount in ₹, except otherwise stated)

39 Additional Information as per Part II of Schedule III, Companies Act, 2013

Name of the Entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit and loss	Amount ₹	As % of consolidated comprehensive income	Amount ₹	As % of total comprehensive income	Amount ₹
Parent: TRL Krosaki Refractories Limited	94.85%	485,84,38,981	96.03%	101,18,37,564	100.00%	(2,32,87,798)	95.94%	98,85,49,766
Associate (Foreign): TRL Krosaki Asia Pte. Ltd.	4.77%	24,43,79,379	4.59%	4,83,32,320	0.00%	—	4.69%	4,83,32,320
Associate (Indian): Almora Magnesite Ltd	0.38%	1,92,52,375	(0.61%)	(64,53,092)	0.00%	—	(0.63%)	(64,53,092)
Total	**100.00%**	**512,20,70,735**	**100.00%**	**105,37,16,792**	**100.00%**	**(2,32,87,798)**	**100.00%**	**103,04,28,994**

40 Earnings per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the year. The basic and diluted earnings per share has been calculated below :

		April 2019 to March 2020	April 2018 to March 2019
a)	Profit after Tax	105,37,16,792	87,59,11,446
b)	Profit attributable to Equity Share Holders	105,37,16,792	87,59,11,446
c)	Weighted average number of Equity Shares outstanding during the year	2,09,00,000	2,09,00,000
d)	Nominal Value per share	10	10
e)	Basic / diluted Earning per Equity Share	50.42	41.91

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Previous years figures have been regrouped and/or rearranged wherever considered necessary to conform to current year's classification.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:101248W/W-100022

sd/-
Seema Mohnot
Partner
Membership No. 060715
Kolkata, June 23, 2020

For and on behalf of the Board of Directors

sd/-
H. M. NERURKAR
Chairman
(DIN : 00265887)
Mumbai

sd/-
P. B. PANDA
Managing Director
(DIN : 07048273)
Belpahar

sd/-
M. V. RAO
Sr. VP (Finance) &
CFO
Belpahar

sd/-
A. DEBTA
GM (Legal) & Company Secretary
(FCS : 6546)
Belpahar

June 23, 2020

Notes to Consolidated Financial Statements for the year ended 31 March 2020 (continued)

(Amount in ₹, except otherwise stated)

Form AOC-I

(Pursuant to sub-section (3) of section 129 of the Companies Act, 2013, related to associate and joint ventures)

Part "A": Subsidiaries NA

Part "B": Associates

	Name of Associates	TRL Krosaki Asia Pte Ltd	Almora Magnesite Limited
1.	Latest audited Balance Sheet Date	31 March, 2020	31 March, 2019
2.	Date on which the associate was associated or acquired	5 December, 2016	30 March,1973
3.	Reporting Currency	CNY	INR
4.	Share of Associate by the Company on the year end :		
	Number	48,07,584	77,990
	Amount of Investment	13,82,61,575	77,99,000
	Extent of Holding (in percentage)	37.000%	38.995%
5.	Description of how there is significant influence	Controls more than 20% of the total share capital	Controls more than 20% of the total share capital
6.	Reason why the associate is not consolidated	NA	NA
7.	Networth attribute to share holding as per latest audited Balance Sheet	33,44,14,768	2,70,51,375
8.	Profit or Loss for the year :		
	i) Considered in Consolidation	4,83,32,320	(64,53,092)
	ii) Not Considered in Consolidation	—	—

Names of Associates or Joint Ventures which are yet to commence Operations : NIL

Names of Associates or Joint Ventures which have been liquidated or sold during the year : NIL

CSR Activities

TRL KROSAKI REFRACTORIES LIMITED

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