

PROACTIVE & PREPARED

K I C METALIKS LIMITED
ANNUAL REPORT 2020-21

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You can also find this report online on :
www.kicmetaliks.com

Bombay Stock Exchange
Limited (BSE Stock Code) 513693

Market Capitalisation
as at March 31, 2021 ₹ 100.28 Crores

AGM Date September 24, 2021
at 10.30 am

AGM Mode Video conferencing

Future remains unpredictable. Yet we remain confident.

As the iron and steel industry witnessed one of its resilient phase backed by a resurgence in demand from key user industries on the domestic front backed by the Government support through various policies, we at K I C Metaliks remained unperturbed.

"None can see the future. Yet, we need to make our own judgement about it to make decisions and be better prepared for what is expected to come on our way."

Well, this is what we did at K I C Metaliks. Thinking and acting ahead of anticipated events with a proactive mindset. In hindsight, we are proud to say our proactive mindset was a natural progression. Our long-sighted vision enabled us to think proactively and create a flexible business model. Our approach towards various integration measures insulated us from market adversities. It enabled us to prepare towards the upcoming challenges well in advance and convert them into opportunities.

Moving forward, our endeavour continues to be constant value creation in the businesses we operate in and to generate a sustainable growth path for the future.

K I C Metaliks Limited... a
pioneer Pig Iron
manufacturing Company in
Eastern India.

A Company which have steadily
invested in people, product and process.

The result today is...
Stable operations with one of
the most competitive
operating structures along
with sustainable margins.

And that's why with a belief that the
best is yet to come, we continue to
proactively pursue our goals of a healthy
stakeholder's value creation.

K I C ... Creating its future proactively

K I C Metaliks Limited, incorporated in 1986, is Eastern India's one of the largest Pig Iron manufacturer. Our strategically located manufacturing unit at the industrial hub of Durgapur aid us in serving the length and breadth of various iron and steel industries in the nearest vicinity.

There is a part of K I C Metaliks in the lives of people in India. Our dedicated team is constantly striving to provide quality products to various downstream industries whose finished products serve the critical need of various infrastructure, real estate, engineering and automobile industries.

We foster a culture that encourages continuous development, innovation, and collaboration leading to an overall operational excellence. We also remain dedicated in our commitment towards sustainability and inclusive growth. We are proud of being among the industry pioneers in terms of use of energy conservation & environment protection and alternate fuel & raw materials used in the production of Pig Iron.

With 3+ decades of legacy and led by first generation entrepreneur Mr. Radhey Shyam Jalan, we have a production capacity to manufacture 2,35,000 MTPA of Pig Iron. We remain prepared through recently commissioned Pulverized Coal Injection System (PCI) and Oxygen enrichment for the existing Mini Blast Furnace (MBF) which have not only increased hot metal production but also made the Company more cost competitive.

Vision

- Technological improvements.
- Achieving cost-effectiveness.
- Focusing on its unique product quality.
- Expanding market.
- Achieving customer satisfaction for both stated and implied needs.
- Being a responsible corporate citizen.
- Providing work environments where our employees can meet their potential and thrive in an atmosphere of excellence.



Chairman's Review

Dear Members

India is witnessing the revival of steel demand amidst the fading blues of the corona-virus crisis and the gradual revival of the Indian economy which is paving the path of an Atmanirbhar Bharat. The Honourable Prime Minister announced a series of reforms, including the INR 1-lakh-crore Agriculture Infrastructure Fund to boost the foundation of the Indian economy.

Investment to Create 300 MT Capacity

India has the potential to transform into a manufacturing hub as China did in the past two decades. However, it is a gradual process and we have enough time till 2030 to become a 300 MT steel manufacturer. Swift implementation of the policy reforms and big infrastructure push can make it possible. There are a lot of opportunities lying in India's rural infrastructure sector too. These all would increase the crude steel output and would help regulate the commodity's prices as well. This approach will not only revive the ailing sectors but also stimulate endless employment opportunities.

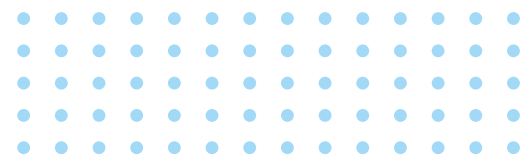
We at K I C Metaliks, are building capacities and driving expansions to cater to anticipated steel demand, in turn emerging stronger than ever before.

Reviewing 2020-21

Our strong fundamentals and agile response to the external environment led to yet another year of sustained growth. Revenue from Operations grew from ₹ 49,606.77 Lakhs in 2019-20 to ₹ 55,062.01 Lakhs in 2020-21. At a time when the world over was grappling with the Covid-19 pandemic, we generated a Profit Before Tax of ₹1,467.23 Lakhs. Our Earnings Per Share (EPS) of the Company stood at ₹2.95 per share.

Sustainable operations

We are strengthening our sustainability journey by broad basing our Environmental, Social, and Governance (ESG) commitments. We have outlined our targets and are closely monitoring our progress. We have also committed to combat climate change. Our target is to reduce specific direct net CO₂ emissions. Further, we have augmented our



capacities to meet our energy requirements through captive power, reducing wastages by using alternate source of raw materials without compromising on the quality of finished products. We strive to increase water efficiency, minimise wastewater, recharge ground water sources, maintain zero-effluent discharge and significantly reduce of noise and dust pollution. We have recently commissioned Pulverised Coal Injection for injection of coal into the blast furnace which would help us in saving the metallurgical coke requirements.

We have designed our social commitments based on need-assessment of the community, with focused interventions in the areas of education, rural infrastructure, healthcare and sports. We remained committed to making financial and initiative base contribution during times of crisis.

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders and create maximum value for them. We constantly review and benchmark our corporate governance practices against global best practices. We consider that our stakeholder's trust in us is a derivative of our core values of ethical practices, transparency, and accountability of our operations. We maintain high levels of governance standards backed by our values, ethics and policies and measure our accomplishment in terms of our ability to meet shareholders' aspirations. No wonder, even in a difficult year, our inherent values provided us the shield to absorb external disturbance and continue to create value for all stakeholder's. We also endeavours to be a responsible corporate citizen, contributing to the country's exchequer. This has prudently been reflected in our Balance Sheet.

Outlook for FY 21-22 and beyond

Our business vision is centred on sustainability. We realise that only by creating a sustainable future, we can pave the way to help shape a self-reliant India. While the results achieved in FY 2020-21 were encouraging, we are working towards accelerating this momentum of profitable growth and quite hopeful of achieving new milestones based on the following expectations in the near term:

- Full utilisation of our capacities.
- Optimisation, integration, upgradation and commissioning of newer capacities.
- Continued focus on cost reduction.

Next level

As the country navigates the second wave of the pandemic, where challenges have become even more difficult, we are committed to ensuring the safety of our employees, their families, and the communities in which we operate. Till the impact of the vaccine is fully felt, we continue to see our operations exposed to several

Our strong fundamentals and agile response to the external environment led to yet another year of sustained growth.

challenges. We are actively encouraging our employees to get vaccinated, and also facilitate the same. In every way, we are firmly on our way to becoming a more future-ready company and determined to keep formulating robust strategies and means to combat the challenges thrown by the pandemic. Our focus remains steadfastly on operating our assets and facilities at full capacity, putting in place our diversification initiatives, looking at growth opportunities, but always keeping the safety of our employees at the forefront.

I am especially proud of the way in which our employees demonstrated strength, conviction and courage during these times. I am indebted to each one of them for having stood solidly behind the company. Without them, last year's performance would not have been possible. I express my sincerest gratitude to our stakeholders for standing strong with us and believing in our abilities to navigate change and emerge stronger out of it. Our commitment to delivering quality, affection, and thoughtfulness in everything we do remains unchanged.

With warm regards

Radhey Shyam Jalan



Milestones



Proactive in employee and social commitments

At K I C Metaliks, Corporate Social Responsibility (CSR) involves integration of employee benefits, social, environmental and economic concerns. Aligned with the Company's vision, our CSR initiatives enhance value-creation in the society through our services, conduct and initiatives, so as to promote sustainable growth for the society.

The projects undertaken are designed to work on conservation of natural resources, addressing health issues, promoting sports among the youth, addressing drinking water needs of the society and addressing Green House Gases (GHG) issues through tree plantation around the vicinity of the plant.

Employee benefits: We believe that the key to success is to foster a culture of collaboration and co-creation amongst our widely dispersed employee base. We are building an organisation that is focused on learning and leveraging its collective experience and expertise efficiently.

Employee safety: Our senior management has always vouched for safety and integrity as their prime focus. They strive to ensure a conducive and safe working environment and have undertaken several programmes to demonstrate "Visible Felt Leadership".

Environment benefit: We have a comprehensive Environmental Policy in place, which guides and fortifies our efforts to reduce our environmental impact. During the course of operations, MBF releases waste heat which in normal course is released into the atmosphere thereby negatively impacting the environment.

However, in order to recover the waste heat, we drive it through technology to generate captive power thereby resulting in huge savings on energy costs. This is helping us to reduce our carbon footprint. We have also focused on creating green belts across our plant premises to maintain a proper ecological balance.

Waste conservation: We are also constantly experimenting with new concepts to minimize our ecological footprint. We were looking for a sustainable solution so as to use the abundantly available iron ore fines in the country. So we installed Sinter plant which has helped us meet our raw material requirements on one hand and huge savings in terms of cost on the other.

Water conservation: Water is a shared resource. It is an equally critical requirement for our host communities and the natural ecosystem and biodiversity of the area. Recycling waste water, rainwater harvesting, recharging of groundwater, employing water efficient technology and maintaining zero liquid discharge is a focus area at our manufacturing site.

Community well-being: Retaining the trust of our host communities is central to our ability to do business. In many instances, we are the primary economic driver where we operate. This places us in a unique position to significantly impact the lives of local communities, whether as employers and business partners or through our community development interventions.

We are committed whole-heartedly in tackling the unprecedented health and humanitarian disruption caused by the COVID-19 pandemic. Our CSR initiative includes focus on healthcare, promoting education, providing safe drinking water, promoting sports activities and environmental conservation.



Promotion of Healthcare



Promotion of Safe Drinking Water



Promotion of Education



Promotion of Nationally recognised sports



Prepared with our unique business model

Iron & Steel industry forms an important and core part of the domestic economy. As our country continues its journey towards emerging as a three trillion dollar economy with continued focus on socio-economic growth of the underserved, we continue to partner in the nations aspiration of a robust infrastructure and sustainable value creation. Our business model is focused on delivering sustainable, long-term returns to our shareholders and creating value for our larger stakeholder fraternity.

Our inputs



Strong economies-of-scale with focus on maximizing asset / resource productivity.



Long-term relationships with a broad spectrum of suppliers on the one hand and customers on the other.

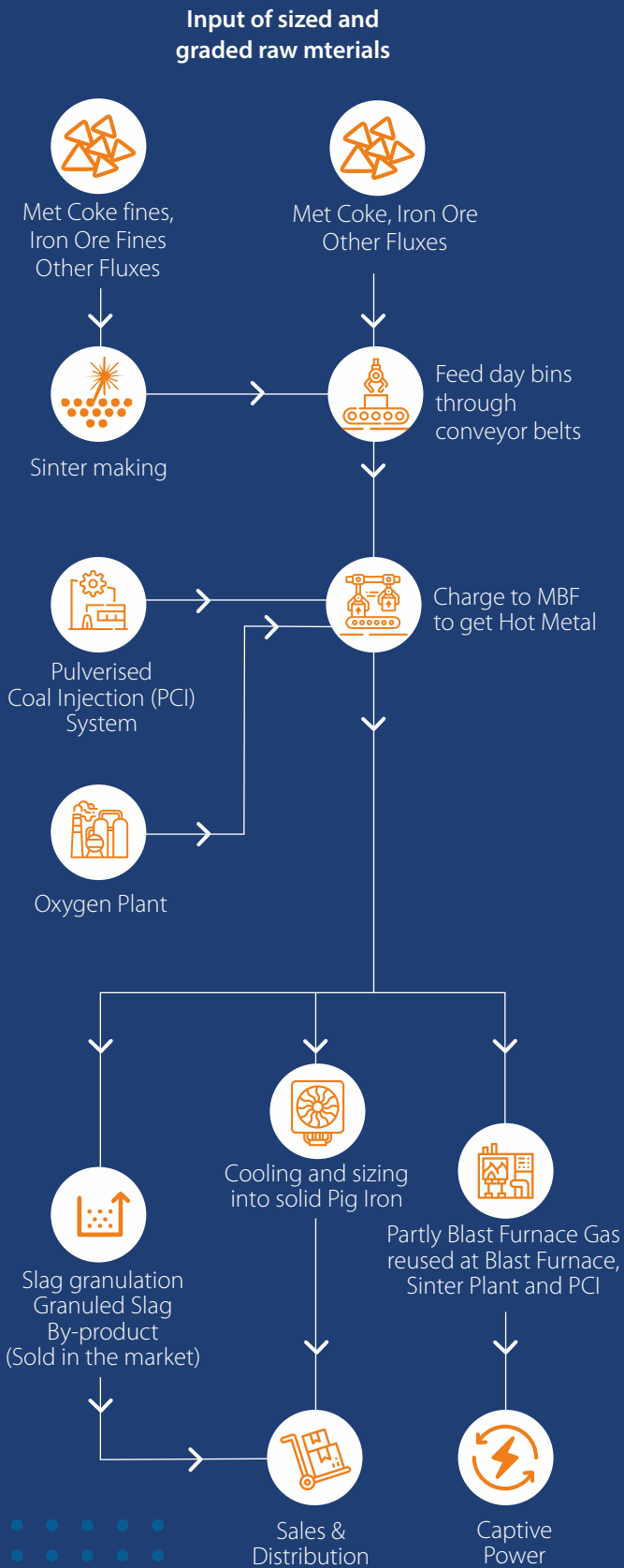


Seamless and cost-effective access to a gamut of raw material resources.



Entrepreneurial culture with managerial empowerment and accountability.

Our robust value chain



Our outcomes



NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE **34th ANNUAL GENERAL MEETING** of the Members of **K I C METALIKS LIMITED** will be held on **Friday September 24, 2021 at 10.30 a.m (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')** to transact the following business :

AS ORDINARY BUSINESS:

- To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board of Directors' and Auditors' thereon.
- To appoint a Director in place of Mr. Radhey Shyam Jalan (DIN: 00578800) who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS:

3. To approve appointment of Mrs. Ishita Bose (DIN : 01088890) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Ishita Bose (DIN : 01088890), who was appointed as an Additional Director of the Company on August 6, 2021 by the Board of Directors of the Company 'Board' and holds office up to the date of this Annual General Meeting under Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a shareholder under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a term of five years commencing August 6, 2021 to August 5, 2026."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

4. Revision in Remuneration of Mr. Mukesh Bengani, (DIN : 08892916) Director (Finance) and Chief Financial officer of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revision in the remuneration of Mr. Mukesh Bengani, (DIN : 08892916), Director (Finance) and Chief Financial Officer of the Company 'Mr. Bengani', on the terms and conditions including remuneration as mentioned below :

Salary and Perquisites :

a) Basic Salary	:	₹ 60,000	per month
b) H.R.A	:	₹ 24,000	per month
c) Transport allowance	:	₹ 12,000	per month
d) Other allowance	:	₹ 9,006	per month
Total	:	₹ 1,05,006	per month

- Medical and Leave Travel Allowances will be as per the Company rules.
- Annual Bonus will be as per the Company rules.

NOTICE

The terms and conditions of appointment of Mr. Bengani may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.

No sitting fees will be paid to the him for attending meeting of the Board of Directors of the Company or any committee thereof. Total remuneration of Mr. Bengani in any financial year shall not exceed 5 % of the net profits of the Company during that year. The appointment may be terminated by the Company or Mr. Bengani by giving one months' notice of such termination or salary in lieu thereof or by mutual consent.

"RESOLVED FURTHER THAT the Company Secretary or any Director of the Company be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the above resolution."

5. Ratification of the remuneration of the Cost Auditors (Firm Registration No. 101919) of the Company for the financial year 2021-22

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 25,000 plus applicable taxes and out-of-pocket expenses incurred in connection with the audit, payable to M/s. Patangi & Co., Cost Accountants, (Firm Registration No. 101919), who were appointed by the Board of Directors of the Company 'Board' as Cost Auditors of the Company to audit the cost records for the financial year 2021-22."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution."

Registered Office:

"Sir RNM House",
3B, Lal Bazar Street,
4th Floor, Room No. 2,
Kolkata – 700 001
West Bengal, India

Dated : August 6, 2021

Place : Kolkata

By Order of the Board
For **K I C Metaliks Limited**

Ruchika Fogla
Company Secretary
(Membership No.A23339)

NOTICE

IMPORTANT NOTES :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs 'MCA' has vide its Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting 'AGM' through VC/ OAVM, without the physical presence of the members at the meeting venue and that will be in compliance with the provisions of the Companies Act 2013 'Act'. The Securities and Exchange Board of India 'SEBI' vide Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 (hereinafter called as SEBI Circular) extended relaxation to listed companies in view of Covid-19 pandemic from the Compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 'Listing Regulations' relating to conduct of AGM through VC/ OAVM. The AGM of the Company pursuant to aforesaid Circulars issued by MCA and SEBI, is being held through VC/ OAVM at the Registered Office of the Company.
2. **The members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of commencement of the meeting (i.e. 10.30 PM IST) by following the procedure mentioned herein after under the head "instructions for members for Attending AGM through VC/OAVM". The facility of participation at AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This does not include large Shareholders (i.e. holding 2 % or more shares), promoters, Institutional Investors, Directors and Key Managerial Personnel of the Company, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company and Auditors, who are to attend AGM without restriction of first come first serve basis.**
3. Since this AGM is being held pursuant to the applicable MCA and SEBI Circulars through VC/OAVM, physical attendance of members has been dispensed with in line with aforesaid Circulars. 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.
4. The facility of casting votes by the member using remote e-voting system as well as at AGM will be provided by NSDL. The detailed instructions for casting vote are mentioned hereinafter.

Members who wish to speak at AGM shall send their name and DP ID/ Folio No. 3 (three) days latest by before AGM date i.e. **Monday, September 20, 2021** on following e-maill id **companysecretary@kicmetaliks.com**.
5. Institutional/ Corporate Shareholders (i.e. other than individuals/ HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing Body Resolution/Authorization/Power of Attorney etc. (Authorization) authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail to his/her registered e-mail address at **kic.scrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.
6. The Register of members and Share Transfer Register of the Company will remain closed from **Saturday, September 18, 2021 to Friday, September 24, 2021 (both days inclusive)**.
7. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 7, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form as it facilitates easy liquidity. In the event of change in particulars of shareholding such as bank details, address, loss of share certificates etc., members can contact the Company's Registrars and Transfer Agents, **M/s. S. K. Infosolutions Pvt. Ltd. D/42, Katju Nagar (Near South City Mall), Ground Floor, Katju Nagar Bazar, Jadavpur, Kolkata – 700 032 'RTA'** for assistance in this regard. The details various banks and agencies providing dematerialization of shares services are available on the website of NSDL and CDSL.
8. To support the 'Green Initiative', members who have not yet registered their e-mail addresses are requested to register the same with their DP's in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.

NOTICE

9. **In terms of provisions of Section 72 of the Companies Act, 2013, nomination facility is available to an individual members. The members who are holding shares in physical form and are desirous of availing this facility may kindly download the prescribed form (SH-13) from the Company's website and submit the same to RTA at the address mentioned herein above in Note No. 7. Members holding shares in dematerialized form, should write to their Depository Participant for this purpose.**
10. Members who are holding shares in physical form are requested to notify changes, if any, pertaining to their name, postal address, e-mail address, telephone or mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the RTA at the address mentioned in **Note No. 7** quoting their folio number along with requisite documents and members holding shares in dematerialised form, should intimate request for such changes to their Depository Participant.
11. Members who are holding shares in identical order of names in more than one folios, are requested to write to the RTA at the address mentioned in **Note No. 7** to consolidate their holdings in one folio.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before **Monday, September 20, 2021** from their registered e-mail address, mentioning their Name, DP ID and Client ID/Folio No. and mobile number on **companysecretary@kicmetaliks.com**. The queries will be replied by the Company suitably in the AGM.
13. In compliance with the aforesaid MCA Circulars and SEBI Circulars (referred in Note No. 1) Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website **www.kicmetaliks.com**, websites of the Stock Exchange i.e. BSE Limited at **www.bseindia.com** on the website of NSDL at **www.evoting.nsdl.com**.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Since the AGM will be held through VC/OAVM, the Route Map of the venue of the AGM is not annexed to this Notice.
16. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under **Item Nos. 3, 4 and 5** is annexed hereto. The relevant details of the Directors seeking re-appointment/appointment under **Item Nos. 2 and 3** pursuant to Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, are also annexed.

17. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS :

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as remote e-voting during the AGM will be provided by NSDL.
- ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Thursday, September 16, 2021** may cast their vote by remote e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as remote e-voting during the AGM. Any person who acquires shares of the Company and becomes a member of the Company

NOTICE

after the dispatch of the Notice and holding shares as on the cut-off date i.e. **Thursday, September 16, 2021** may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.

- iii. The remote e-voting period commences on **Monday, September 20, 2021 at 9.00 a.m. (IST) and ends on Thursday, September 23, 2021 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The voting rights of the members shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date i.e. Thursday, September 16, 2021**.
- iv. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and members participating at the AGM, who have not already cast their vote on the resolution(s) by remote e-voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
- v. The remote e-voting module shall be disabled by NSDL for voting 15 minutes after the conclusion of the meeting on the day of the AGM.

B. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM AND REMOTE E-VOTING (BEFORE AND DURING THE AGM) ARE GIVEN BELOW :

- i. The members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-voting credentials, where the EVEN of the Company i.e. 116851 will be displayed. On clicking this link, the members will be able to attend and participate in the proceedings of the AGM. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID/Password may retrieve the same by following the remote e-voting instructions mentioned below to avoid last minute rush. Further, members may also use the OTP-based login for logging into the e-voting system of NSDL.
- ii. Members may join the meeting through Laptops, Smartphone's, Tablets and iPads for better experience. Further, members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at companysecretary@kicmetaliks.com between **Saturday, September 18, 2021 (9:00 a.m. IST) to Thursday, September 23, 2021 (5:00 p.m. IST)**. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Members who need assistance before or during the AGM to access and participate in the meeting may contact NSDL on evoting@nsdl.co.in /1800-222-990 or 1800-22-430 or contact **Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/022-24994360** or **Mr. Sanjeev Yadav, Assistant Manager – NSDL at sanjeevy@nsdl.co.in/022-24994553**.

NOTICE





C. THE INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/ DURING THE AGM

Step 1: Access to NSDL e-Voting system

1. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI Circular dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat accounts maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access the e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on :    
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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2. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Members' section.
3. A new screen will open. You will have to enter your User Id, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User Id is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and client ID is 12***** then your User ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example, if EVEN is 116851 and folio number is 001*** then User ID is 116851001***

5. Details of password are given below:
 - (a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - (c) How to retrieve your 'initial password'?
 - (i) If your e-mail Id is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail Id. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail sent and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client Id for NSDL account, last 8 digits of your beneficiary Id for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User Id' and your 'initial password'.
 - (ii) If your e-mail Id is not registered, please follow steps mentioned in process for those shareholders whose e-mail ids are not registered.

NOTICE

6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
 - a. Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on **www.evoting.nsdl.com**
 - b. Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see EVEN of all the Companies in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN' of the Company for which you wish to cast your vote during the remote e-voting period and during AGM. For joining virtual meeting, you need to click on VC/OAVM Link placed under "Join General Meeting",
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-voting during the AGM are as under:

1. The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting, since the Meeting is being held through VC/OAVM.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so shall be eligible to vote through e-voting system during the AGM.

General Guidelines for Shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on **www.evoting.nsdl.com** to reset the password.
2. In case of any queries/grievances pertaining to remote e-voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions 'FAQs' for Shareholders and e-voting user manual for Shareholders available in the download section of **www.evoting.nsdl.com** or call on the toll-free number: **1800-222-990/1800-224-430**

NOTICE

or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal or Ms. Pallavi Mhatre or Mr. Pratik Bhatt from NSDL at the designated e-mail IDs: amitv@nsdl.co.in or pallavid@nsdl.co.in or pratikb@nsdl.co.in.

Other Instructions:

- i. The Board of Directors has appointed **Mr. Neha Yadav (Membership No. A36913)** Practising Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process before and during the AGM in a fair and transparent manner.
- ii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM, and votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.kicmetaliks.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited where the shares of the Company are listed.

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 3

Mrs. Ishita Bose 'Mrs. Bose' is a LLB and has an experience of over 15 years in the field of Civil litigation and conveyance. Her specialisation lies in real estate registration work.

The Board, upon the recommendation of the Nomination and Remuneration Committee of the Board, at its meeting held on August 6, 2021, appointed Mrs. Bose as an Additional (Independent) Director of the Company, not liable to retire by rotation, effective August 6, 2021. Pursuant to the provisions of Section 161 of the Act, Mrs. Bose will hold office upto the date of the ensuing Annual General Meeting and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received in writing, a notice from a members proposing the candidature of Mrs. Bose for the office of Director. The Company has received from Mrs. Bose (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors), Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act; and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the 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 framed there under, for appointment of Mrs. Bose as an Independent Director of the Company for a period commencing from August 6, 2021 to August 5, 2026. Mrs. Bose once appointed will not be liable to retire by rotation.

In the opinion of the Board, Mrs. Bose is a person of integrity, fulfils the conditions specified in the Act and the Rules framed there under and is independent of the management of the Company.

The requisite details of Mrs. Bose are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution as set out at **Item No. 3** of the Notice except Mrs. Bose.

The Board recommends the resolution set forth in **Item No. 3** of the Notice for approval of the members.

NOTICE

ITEM NO. 4

The Board of Directors of the Company 'Board' at their meeting held on August 6, 2021, subject to approval of members of the Company, has accorded its approval for revision in remuneration of Mr. Mukesh Bengani, Director (Finance) and Chief financial Officer of the Company 'Mr. Bengani, as detailed in the resolution, for his remaining tenure. The same was approved by the Nomination and Remuneration Committee at its meeting held earlier that day and was recommended to the Board for its approval. While approving the revised remuneration of the Mr. Bengani, the Nomination and Remuneration Committee considered various parameters which, inter alia, includes, the scale of operations of the Company and the increased involvement of Mr. Bengani for the overall growth of the Company especially in streamlining the production capacities of existing units, exploring new domestic markets, deeper penetration of existing markets and enhancing brand value through various initiatives etc., with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the Company and members. The revision in remuneration of Mr. Bengani was made with the view to make the same commensurate with his efforts given to and involvement in the Company.

Mr. Bengani is a related party as per Section 2(76)(i) of the Companies Act, 2013 'Act'. As per Section 177(4)(iv) Act the Audit Committee has to accord its approval to any subsequent modifications of the transactions of the Compoany with its related party and accordingly the Audit Committee at its meeting held on August 6, 2021, approved and recommended the same agenda for the approval to the Board.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof or the time being in force) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a General Meeting by way of ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution as set out at **Item No. 4** of the Notice except Mr. Bengani.

The Board recommends the resolutions set forth in **Item No. 4** of the Notice for the approval of members.

ITEM NO. 5

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. Patangi & Co., Cost Auditors to audit cost records of the Company for the financial year 2021-22 at a remuneration of ₹ 25,000/-, excluding applicable taxes and out of pocket expenses, if any.

As per Section 148 of the Companies Act, 2013 the remuneration payable as above is to be ratified by the members. Accordingly, the consent of the Members is sought for passing the said resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise in the resolution set out at **Item No. 5** of the Notice.

The Board recommends the resolution set forth in **Item No. 5** of the Notice for approval of the members.

Registered Office:

"Sir RNM House",
3B, Lal Bazar Street,
4th Floor, Room No. 2,
Kolkata – 700 001
West Bengal, India

Dated : August 6, 2021

Place : Kolkata

By Order of the Board
For **K I C Metaliks Limited**

Ruchika Fogla
Company Secretary
(Membership No.A23339)

NOTICE**DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT
IN THE 34TH ANNUAL GENERAL MEETING**

[Pursuant to Regulation 26(4) and 36(3) of SEBI (LODR) Regulations, 2015]

Name of Director(s)	Mr. Radhey Shyam Jalan	Mrs. Ishita Bose
Date of Birth	23.06.1980	04.07.1981
Qualifications	B. Com (Honours), Chartered Accountant	LLB
Date of Appointment	16.01.2009	06.08.2021
Expertise in specific functional areas	Management, Finance and Business administration	Civil litigation and conveyancing with specialisation in real estate registration work.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years;	None	None
Details of shareholding (both own or held by/ for other persons on a beneficial basis), if any, in the Company	K I C Metaliks Limited - Equity Shares 5,13,475 (1.44 %)	Nil
Relationship between Directors, Manager and other Key Managerial Personnel inter-se	Nil	Nil
Attendance at Board meetings in financial year 2020-21	Mr. Jalan attended all Board Meetings in financial year 2020-21	NA

Director's report



Dear Members,

Your Directors have pleasure in presenting the Thirty Fourth Annual Report on the affairs of the Company together with the Statement of Accounts for the financial year 2020-21. The summarised financial highlights for the financial year vis-a-vis the previous year are as follows :

1. FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	55,062.01	49,606.77	55,062.01	49,606.77
Profit before Finance Cost, depreciation and taxes	3,391.93	3,237.25	3,391.80	3,234.87
Less:- Finance Cost	1,030.73	925.22	1,030.78	925.22
Depreciation and amortization	893.97	754.85	893.97	754.85
Profit Before Taxation	1,467.23	1,557.18	1,467.05	1,554.80
Provision for Taxation	420.55	731.94	420.55	731.94
Profit After Tax for the year	1,046.68	825.24	1,046.50	822.86
Other Comprehensive Income (net of tax)	6.76	(7.85)	6.76	(7.85)
Total Comprehensive Income for the year	1,053.44	817.39	1,053.26	815.01

3. PERFORMANCE, RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

On Standalone Basis

During the financial year (FY) 2020-21 the Company has achieved revenue from operation of ₹ 55,062.01 as compared to ₹ 49,606.77 in FY 2019-20. The Profit After Tax (PAT) stood at ₹ 1,046.68 Lakhs for FY 2020-21 as compared to ₹ 825.24 Lakhs for the previous year even in the backdrop of the continued pandemic COVID-19.

On Consolidated Basis

The Company's consolidated revenue for FY 2020-21 was ₹ 55,062.01 as compared to ₹ 49,606.77 for the previous year. During the year under review, the consolidated PAT stood at ₹ 1,046.50 Lakhs as compared to ₹ 822.86 Lakhs for the previous year.

Our performance for the year gone by demonstrates our ability to adapt to change, our commitment and responsibility towards each and every stakeholder. Amidst trying times, we delivered robust results, even when the economy witnessed a massive slowdown. The primary contributors to such a year were our continued focus on quality, a robust and resilient workforce and a visionary management. Our EBITA grew by a marginal 4.76 % and PAT grew by 28 %. Q3

DIRECTOR'S REPORT

and Q4 have been good quarters as compared to the first half and were in line with the growth the Company. Despite the business challenges and the loss of production and sales in Q1 of the year under review your management is confident of delivering growth along with stronger synergies, backed by the recently commissioned structured cost reduction facilities/plants of the Company.

4. EXPANSION AND MODERNISATION

During the year under the review, your Company has commissioned a Pulverised Coal Injection (PCI) system for the existing Mini Blast Furnace (MBF), an Oxygen plant and a 25m² Annular Sinter Plant in Q2 of FY 2020-21 which has been a significant development both for increasing hot metal production capacity from 1,65,000 MTPA to 2,35,000 MTPA as well as for reduction in hot metal cost. The results of this initiative were visible in Q3 and Q4 of FY 2020-21.

5. DIVIDEND

Keeping in view the working capital requirements of the Company, your Directors have ploughed back the profits and express their inability to declare any dividend for Equity and Preference Shares of the Company for the financial year 2020-21.

6. EMERGENCE OF COVID-19

During the year under review, the Government of India had imposed stringent nationwide lockdowns, in phases, which severely impacted manufacturing activities. Though the Steel and Mining sectors were allowed to operate under the Essential Services Maintenance Act, 1968, they were subject to certain guidelines. Steel demand was affected as key steel consuming sectors struggled to operate amidst weakening economic activities, working capital constraints, shortage of manpower, and logistical issues. The outbreak of COVID-19 pandemic has also led to an unprecedented health crisis and has disrupted economic activities and global trade, while weighing on consumer sentiments and K I C was no exception.

For K I C the health and safety of its employees and the communities in which its operates continued to be the foremost priority. To mitigate the risks and challenges faced by the Company during the pandemic, enhanced safety and hygiene norms at all its offices, implemented work from home, staggered shift timings for safety of employees and leveraged digital platforms for its day-to-day operations. At present, although there are uncertainties due to the pandemic, the global economy has gained momentum in the first half of 2021. The good balance sheet position, fair profitability and inherent resilience of the business model position your Company well to navigate the challenges ahead and continue growth.

7. RESERVE

During the year under the review, the Company has not transferred any amount to the general reserve.

8. SHARE CAPITAL

During the financial year 2020-21, there was no change in the issued and subscribed capital of your Company.

9. CHANGE IN NATURE OF BUSINESS

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

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

10.1. Retirement by Rotation

Pursuant to the provisions of the Companies Act, 2013, Mr. Radhey Shyam Jalan (DIN: 00578800) Chairman and Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The information as required to be disclosed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [hereinafter referred to as Listing Regulations] in case of re-appointment of Directors is provided in the Notice of the ensuing Annual General Meeting.

DIRECTOR'S REPORT

10.2. Appointment

Mr. Mukesh Bengani, (DIN : 08892916) and Mr. Kanhaiyalal Didwania (DIN : 07746160) were appointed as Directors of the Company respectively w.e.f. August 25, 2020 for a period of 5 (five) years. The Members have already approved the said appointments at the 33rd Annual General Meeting of the Company held on September 29, 2020.

Mr. Rajarshi Ghosh, (DIN : 05270177) was appointed as Additional Director designated as Non Executive and Independent Director of the Company w.e.f. October 21, 2020 for a period of 5 (five) years, subject to the approval of the Members at the ensuing Annual General Meeting of the Company.

10.3. Resignation

Mr. Suresh Kumar Singhal, (DIN : 00058501), Director designated as Non-Executive Independent Director of the Company resigned from the directorship of the Company w.e.f. October 21, 2020. Your Board places on record its appreciation for valuable services rendered by him during his tenure as a Director of the Company.

10.4. Declaration of Independent Directors

All 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 and Regulation 25 of Listing Regulations.

10.5. Key Managerial Personnel

Following officials are appointed as the Key Managerial Personnel 'KMP' of the Company:

- Mr. Radhey Shyam Jalan, (DIN : 00578800) Chairman and Managing Director;
- Mr. Mukesh Bengani, (DIN : 08892916) Director (Finance) and Chief Financial Officer;
- Mrs. Ruchika Fogla, Company Secretary and Compliance Officer.

Remuneration and other details of the KMP are mentioned in the extract of the Annual Return (Form No. MGT – 9) which forms part of this Report.

10.6. Meetings of the Board

As required under Section 134 of the Companies Act, 2013 the Board of Directors met 5 (five) times during the financial year 2020-21, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and the Listing Regulations.

10.7. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations the Board of Directors has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, etc.

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

DIRECTOR'S REPORT

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required 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 –A**' and forms part of this Report.

12. CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate Report on Corporate Governance is annexed as '**Annexure – B**' and forms part of this Report. A certificate from the Practicing Company Secretary regarding compliance as per Listing Regulations is annexed to the Report on Corporate Governance. The declaration by the Managing Director stating that all the Board members and Senior Management Personnel have affirmed their compliance with the Company's Code of Conduct for the year ended March 31, 2021 is given in the Corporate Governance Report.

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34(3) read with Schedule V of Listing Regulations, Management Discussion and Analysis Report is annexed herewith as '**Annexure –C**' and forms part of this Report.

14. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of Annual Return of the Company in Form MGT - 9 is annexed herewith as '**Annexure –D**' and forms part of this Report.

15. AUDITORS AND AUDITORS'REPORT

15.1. Statutory Auditors

M/s. B. N. Agrawal & Co., Chartered Accountants (Firm Registration No. 320312E) were appointed as Statutory Auditors of your Company for a term of five years from the conclusion of the 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting to be held in the year 2022.

The Statutory Auditor's Report for the financial year 2020-21 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors to the Company under sub-section (12) of Section 143 of the Act.

15.2. Cost Auditors

The Board of Directors had appointed M/s. Patangi & Co. (Firm Registration No. 101919, Membership No. 30818) as Cost Auditors of the Company for the financial year 2021-22 in its meeting held on June 25, 2021. Their remuneration is subject to ratification by members at the ensuing Annual General Meeting. Cost Audit Report for the financial year 2019-20 was filed within due date.

15.3. Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. B G Lahoti & Associates, Practicing Company Secretaries (Membership No. 37056) as Secretarial Auditors of the Company. The Secretarial Audit Report in Form MR-3 is annexed herewith as '**Annexure – E**' and forms part of this Report. The Report does not contain any qualification, reservation or adverse remark.

15.4. Internal Auditors

Your Company has appointed M/s. Agarwal Maheswari & Co., Chartered Accountants (Firm Registration No. 314030E), as Internal Auditors to carry out the Internal Audit of various operation areas of the Company. Their scope of work and the plan for audit is approved by the Audit Committee. The Report submitted by them is

DIRECTOR'S REPORT

regularly reviewed and their findings are discussed with the process owners and suitable corrective action is taken on an ongoing basis to improve efficiency in operations.

16. REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

17. COMPLIANCE CERTIFICATE

The Board has received the Compliance Certificate as required to be given by the Chief Executive Officer and the Chief Financial Officer under Regulation 17(8) of Listing Regulations is annexed herewith as '**Annexure– F**' and forms part of this Report.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same has been hosted on the website of the Company at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/VIGIL-MECHANISM.pdf>.

19. NOMINATION AND REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Personnel. The policy is approved by the Nomination and Remuneration Committee and the Board of Directors had approved the policy and the same has been hosted on the website of the Company at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/NOMINATION-AND-REMUNERATION-POLICY.pdf>.

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

The Company has in place a Policy for Prohibition and Redressal of Sexual Harassment at work place which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has constituted an Internal Complaint Committee for its Registered Office and Corporate Office under Section 4 of the captioned Act. No complaint has been filed before the said committee till date. The Company has filed an Annual Report with the concerned Authority.

21. AUDIT COMMITTEE

Your Company has an Audit Committee in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Further details of Audit Committee are given in the Corporate Governance Report annexed as a part of the Directors' Report.

22. FINANCE

22.1. Public Deposits

Your Company has not accepted any deposits during the year under the review nor does the Company have any outstanding deposits under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 as on the date of the Balance Sheet.

22.2. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

The Company has not given any loan or guarantee covered under Section 186 of the Companies Act, 2013, during the year under the review. However your Company has invested in its Wholly Owned Subsidiary Company within the limit of Section 186 of the Companies Act, 2013.

DIRECTOR'S REPORT

22.3. Contracts and arrangements with related parties

During the financial year ended March 31, 2021, all transactions with the Related Parties as defined under the Companies Act, 2013 'Act' read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis and hence do not fall under the ambit of Section 188(1) of the Act. In view of the above, the disclosure required under the Act in Form AOC-2 is not applicable for financial year 2020-21. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the Listing Regulations.

During the year under review, your Company did not enter into any Related Party Transactions (RPT's) which require prior approval of the members. All RPT's of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. Subsequently, the Audit Committee and the Board have reviewed RPT's on a quarterly basis. Your Company has an internal mechanism for the purpose of identification and monitoring of RPT's.

The Policy on Materiality of Related Party Transactions and dealing with related party transactions, as approved by the Board of Directors may be accessed on the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/RELATED-PARTY-TRANSACTION-POLICY.pdf>

There were no other material RPT's entered into by the Company with Promoters, Directors, KMP or other designated persons during financial year 2020-21, except those reported in the financial statements. Necessary disclosures required under the Ind AS 24 have been made in **Note No. 35** of the Notes to the financial statements for the year ended March 31, 2021.

22.4. Internal Financial Control

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations of the same were observed.

22.5. Insurance

Adequate insurance cover has been taken for properties of the Company including buildings, plant and machineries and stocks against fire, earthquake and other risks as considered necessary.

23. RISK MANAGEMENT

Risk management is an integral part of the strategic management of your Company. The process involves periodic identification of risk likely to affect the business from operating smoothly and adoption of appropriate measures to address the concerns. In this regard, your Company has identified inherent risks in its operations and record residual risk after taking specific risk mitigation steps. The Policy on Risk Management, as approved by the Board of Directors may be accessed on the Company's website at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/RISK-MANAGEMENT-POLICY.pdf>.

Further details regarding the same are given in the Management and Discussion Analysis Report.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Act, the Company has under taken CSR activities, projects and programs as provided in the CSR policy of the Company and as identified under Schedule VII to the Act and excluding activities undertaken in pursuance of its normal course of business. Your Company remains focused to improve the quality of life and engage with various communities through interventions in areas of health, education, sanitation, infrastructure development, etc. Your Company aspires to create sustainable leadership in its production unit through focus on zero waste to use of renewable energy and rain water harvesting etc.

During the year under review, the Company spent ₹ **27.77 lakhs** on CSR activities on projects qualifying as per Section 135 of the Act, duly approved by the CSR Committee of the Company. Salient features of the CSR Policy and details of

DIRECTOR'S REPORT

activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in '**Annexure – G**' and forms part of this Report. The Company's CSR Policy may be accessed at the link <http://kicmetaliks.com/wp-content/uploads/2019/04/CSR-Policy-1.pdf>.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors would like to inform the members that the Audited Accounts containing the financial statements for the year 2020-21 are in conformity with the requirements of the provisions of Section 134(3)(c) read with Section 134(5) and all other applicable provisions of the Companies Act, 2013 and they believe that, the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations.

Based on the same, your Directors further confirm, according to the best of their knowledge and belief that:

- a) in the preparation of the Annual Accounts for the financial year ended March 31, 2021, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2020-21 and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a 'going concern basis';
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

26. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS AND ITS PERFORMANCE

K I C Metaliks Limited has formed a wholly Owned Subsidiary Company in the name of KIC Minerals Private Limited on November 15, 2019.

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), form part of the Annual Report. The Statement containing salient features of the financial statement of subsidiary of the Company pursuant to first proviso to Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014 is provided in '**Annexure – H**' and forms part of this Report.

27. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Company had no employee during the financial year ended March 31, 2021, who was drawing remuneration in excess of limits set out under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no disclosure is required for the same.

- A.** Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided here below :

DIRECTOR'S REPORT

- i) The ratio of remuneration of each Director/KMP to the median remuneration of the employees of the Company for the financial year 2020-21 :

Sl. No.	Name of Directors/KMP and Designation	Remuneration for financial year 2020-21 (₹ in Lakhs)	% increase in remuneration in the financial year 2020-21	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Mr. Radhey Shyam Jalan DIN: 00578800 (Chairman and Managing Director)	96.00	28.51 %	25.65 x
2.	Mr. Mukesh Bengani ^a DIN : 08892916 [Director (Finance) and Chief Financial Officer]	10.89	(-) 8.69 %	2.91 x
3.	Mr. Kanhaiyalal Didwania ^b DIN : 07746160 (Non - Executive, Non Independent Director)	-	-	-
4.	Mr. Laxmi Narayan Sharma DIN : 00356855 (Non - Executive, Independent Director)	-	-	-
5.	Mrs. Manjula Poddar DIN : 08158445 (Non - Executive, Independent Director)	-	-	-
6.	Mr. Suresh Kumar Singhal ^c DIN : 00058501 (Non - Executive, Independent Director)	-	-	-
7.	Mr. Rajarshi Ghosh ^d DIN : 05270177 (Non - Executive, Independent Director)	-	-	-
8.	Mrs. Ruchika Fogla (Company Secretary)	2.90	2.98 %	0.78 x

Notes :

- a. Mr. Mukesh Bengani, Chief Financial Officer of the Company was also appointed as Director (Finance) of the Company w.e.f. August 25, 2020.
- b. Mr. Kanhaiyalal Didwania was appointed as a Non Executive, Non Independent Director of the Company w.e.f. August 25, 2020.
- c. Mr. Suresh Kumar Singhal ceased to be a Director of the Company w.e.f. October 21, 2020.
- d. Mr. Rajarshi Ghosh was appointed as an Independent Director of the Company w.e.f. October 21, 2020.

- ii) The median remuneration of employees of the Company during the financial year 2020-21 was ₹ 3.74 Lakhs.
- iii) In the financial year 2020-21, there was a increase of 1.20 % in the median remuneration of employees.
- iv) There were 324 permanent employees on the rolls of Company as on March 31, 2021.
- v) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the financial year under review i.e. 2020-21 was 2.91 % whereas the increase in the managerial remuneration for the same period was 22.75 %.
- vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other Employees.

DIRECTOR'S REPORT

- B.** Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in '**Annexure – I**' and forms part of this Report.

28. MATERIAL ORDERS

There have been no significant and material orders passed by the court or regulators or tribunals impacting the going concern status and Company's operations. Your attention is drawn to the Contingent Liabilities and commitments shown in the Notes to Financial Statements forming part of this Annual Report.

29. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the financial year till the date of this Report, which affect the financial position of the Company. However the impact of the pandemic COVID-19 on the operations of the Company is mentioned in **Point No. 6** of this report.

30. OTHER DISCLOSURES

The Company has proper and adequate systems and processes in place to ensure compliance with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

No disclosure or reporting is made in respect of the following items as there were no transactions or change during the year under review:

- Details relating to deposits covered under Chapter V of the Act;
- Issue of Equity Shares with differential rights as to dividend, voting or other wise;
- Issue of Shares to the employees of the Company under any scheme (Sweat Equity or Stock Options)
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the financial statements other than as required to be done as per Ind AS.

31. ACKNOWLEDGEMENT

Your Directors would like to place on record its appreciation for the committed services put in by the employees of the Company. Your Directors would also like to convey its sincere gratitude to the members, bankers, regulatory bodies, clients and other business constituents for their continued co-operation and support received.

ANNEXURE to the Director's Report**ANNEXURES TO THIS REPORT**

A brief summary of the annexures accompanying this Report are given as below :

Annexure	Particulars
A	Conservation of Energy, Technology Absorption And Foreign Exchange Earnings and Outgo.
B	Corporate Governance Report.
C	Management and Discussion and Analysis Report.
D	Extract of Annual Return in Form MGT - 9.
E	Secretarial Audit Report in Form MR - 3.
F	CEO/CFO Certification.
G	CSR Report.
H	Statement containing salient features of the financial statement of subsidiary Company in Form AOC – 1.
I	Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : June 25, 2021

Radhey Shyam Jalan
DIN : 00578800
Chairman and Managing Director

ANNEXURE - A to the Director's Report

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 and as part of the Directors' Report for the financial year ended March 31, 2021.

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy :

- Capacitor bank installed in the 2nd Sinter plant.
- Variable Voltage and Variable Frequency drive installed in various motors for energy savings.
- Energy efficient pumps introduced in place of old pumps.
- Energy saving by installing VFD in Pulverised Coal Injection (PCI), for adjusting speed as per requirement of the process.
- Replacement of conventional Lights with LED light fittings.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

- Using in house oxygen for total process, mechanical jobs in our plant.

(iii) The capital investment on energy conservation equipments :

- ₹ 9,245 Lakhs

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption :

- Pulverised Coal Injection introduced for injection of coal into the blast furnace thus saving the metallurgical coke.
- Oxygen enrichment in cold blast for Process improvement and burning of coal.
- Power generation through Captive Power plant using waste gases of blast furnace.

(ii) The benefits derived like product improvement, cost reduction, production development or import substitution : Nil

(iii) In case of imported technology :

- | | |
|--|--|
| a. The details of technology imported (German) | : PCI system from Ande Metallurgical Machinery Company Limited and Oxygen Plant from Linde India Limited |
| b. The year of import | : 2017-18 |
| c. Whether the technology been fully absorbed | : Yes |
| d. If, not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | : Nil |

(iv) The expenditure incurred on Research and Development : NA

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(₹ in Lakhs)

Sl. No. Particulars	2020-21	2019 - 20
a. Foreign Exchange earned in terms of Actual Inflows	Nil	Nil
b. Foreign Exchange used in terms of Actual Outflows	4,452.82	7,545.86

For and on behalf of the Board of Directors

Radhey Shyam Jalan

(DIN : 00578800)

Chairman and Managing Director

Place : Kolkata

Dated : June 25, 2021

Corporate governance report



1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Our philosophy on Corporate Governance is based on an ethical and transparent governance practices. Good corporate governance is the key to enhance the long-term value of the Company for the benefit of all stakeholders. The pillars on which the edifice of corporate governance stands are fairness and accountability. Thus it becomes necessary for every organization to achieve high standards of corporate governance. We firmly believe that our governance mechanism protects and enhances the trust of Members, customers, suppliers, financiers, employees, government agencies and the society at large.

2. BOARD OF DIRECTORS

A. Composition of the Board as on March 31, 2021:

Category	No. of Directors
Non Executive and Independent Directors	3
Non Executive and Non Independent Directors	1
Executive Director	2

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director. The composition of the Board is in conformity with Regulation 17 of Listing Regulations. The Board met five times during the year and the time gap between any two meetings did not exceed 120 days.

B. Board Meetings held during the financial year 2020-21 :

Sl. No.	Date of Meetings	Total No. of Directors	No. of Directors present
1	July 30, 2020	4	4
2	August 25, 2020	6	5
3	October 21, 2020	6	5
4	January 29, 2021	6	5
5	March 30, 2021	6	5

ANNEXURE - B to the Director's Report

C. The composition of the Board and the attendance of Directors at the Board Meetings held during the last fiscal and at the last Annual General Meeting and the number of other directorship and Board Committees' membership/ chairmanship held in other Public Companies are as follows :

Name and Category of the Directors	Attendance at Board Meetings	Attendance at the last Annual General Meeting	No. of other Directorship held ^a		No. of other Committee membership held ^b	
			As Director	As Chairman	As Member	As Chairman
Mr. Radhey Shyam Jalan DIN : 00578800 (Executive, Chairman and Managing Director)	5	Yes	Nil	Nil	Nil	Nil
Mr. Mukesh Bengani ^c DIN : 08892916 (Executive, Director (Finance) and Chief Financial Officer)	4	Yes	Nil	Nil	Nil	Nil
Mr. Kanhaiyalal Didwania ^d DIN : 07746160 (Non-Executive, Non-Independent Director)	2	Yes	Nil	Nil	Nil	Nil
Mr. Laxmi Naryan Sharma DIN : 00356855 (Non-Executive, Independent Director)	5	Yes	5 ⁱ	Nil	Nil	Nil
Mrs. Manjula Poddar DIN : 08158445 (Non-Executive, Independent Director)	5	Yes	Nil	Nil	Nil	Nil
Mr. Suresh Kumar Singhal ^e DIN : 00058501 (Non-Executive, Independent Director)	1	Yes	Nil	Nil	Nil	Nil
Mr. Rajarshi Ghosh ^f DIN : 05270177 (Non-Executive, Independent Director)	3	-	Nil	Nil	Nil	Nil

Notes :

- Excludes Directorship/Committee membership in Private Limited Companies, Companies under Section 8 of the Companies Act, 2013 read with Rule 19 of the Companies (Incorporation) Rules, 2014 and Foreign Companies and Associations.
- Only Audit Committee and Stakeholders Relationship Committee membership has been considered as per Regulation 26(1)(b) of the Listing Regulations.
- Mr. Mukesh Bengani, Chief Financial Officer of the Company was also appointed as Director (Finance) of the company w.e.f. August 25, 2020.
- Mr. Kanhaiyalal Didwania was appointed as a Non Executive, Non Independent Director of the Company w.e.f. August 25, 2020.
- Mr. Suresh Kumar Singhal ceased to a Director of the Company w.e.f. October 21, 2020.
- Mr. Rajarshi Ghosh was appointed as an Independent Director of the Company w.e.f. October 21, 2020.
- None of the Directors have any inter-se relation among themselves and with any of the employees of the Company.
- None of the Non-Executive Directors holds any shares in the Company, except Mr. Kanhaiyalal Didwania.

ANNEXURE - B to the Director's Report

i. The directorship held by Mr. Laxmi Naryan Sharma in listed entities is as below :

<i>Name of the Listed Entities</i>	<i>Category</i>
<i>Global Capital Markets Limited</i>	<i>Independent Director</i>
<i>N. C. L. Research and Financial Services Limited</i>	<i>Independent Director</i>
<i>GCM securities Limited</i>	<i>Independent Director</i>
<i>GCM Capital Advisors Limited</i>	<i>Independent Director</i>
<i>GCM Commodity & Derivatives Limited</i>	<i>Independent Director</i>

D. Other provisions as to Board and Committees

Information on various important business proposals including the information as stipulated in Schedule II of the Listing Regulations and recommendations of various committees has been placed before the Board for its consideration. During the year under review, the Board has accepted all the recommendations from the Committees. An annual calendar of meetings is established after consulting all Directors to facilitate their physical presence and meaningful participation. It has been the Company's endeavor to have meetings at plant site of the Company too, apart from the Registered Office of the Company to get Directors to witness the practices and to get under the skin of the Company's business model. The Board periodically reviews the compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any. In case of business exigencies the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting.

Your Company's Directors promptly notify any change(s) in the committee positions as and when they take place.

E. Independent Directors

Your Company has appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under Section 149(7) of the Act. All Independent Directors maintain their limits of directorships as required under Regulation 25(1) of Listing Regulations.

The Independent Directors are updated from time to time, on the Company's procedures and policies as per the familiarization program devised in that behalf by the Company, copy of the same is available on company's website at <http://kicmetaliks.com/wp-content/uploads/2016/01/FAMILARISATION-PROGRAMME.pdf>. The Board confirms that all the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the management. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

F. Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or Management Personnel as required under Regulation 25(3) of Listing Regulations. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the management.

During the year under review, the Independent Directors met once on July 24, 2020, without the attendance of Executive Directors and Management Personnel. All the Independent Directors were present in that meeting.

The Independent Directors in the said meeting had, inter-alia:

- i. reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

ANNEXURE - B to the Director's Report

G. Induction and Training of Board Members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site, etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

H. Skills, Expertise and Competencies of the Board

The Board comprises with highly qualified members possessing required skills, expertise and competence in making effective contributions towards the growth of the Company. Leadership, operational experience, strategic planning, industry experience, research and development, innovation, consumer insights, marketing, supply chain management and branding are the key core skill/expertise/competence, in the context of the Company's business apart from governance, finance, taxation and regulatory affairs functions. In the opinion of the Board, these skills are available with the Board and the following chart/matrix depicts the aforesaid skills/expertise/ competence possessed by the Board.

Sl. No.	Directors Name	Skills / expertise / competence
1.	Mr. Radhey Shyam Jalan	Business strategy and operations, industry experience, risk management, Leadership, project management, risk management, financial and supply chain management and governance, Accounting, Taxation and Capital markets.
2.	Mr. Mukesh Bengani	Financial management and accounting, Business Strategy, Management Information System, Taxation, Costing, governance and regulatory affairs.
3.	Mr. Rajarshi Ghosh	Governance and regulatory requirements, Financial management and Accounting, Taxation and Capital markets.
4.	Mr. Laxmi Naryan Sharma	Financial management and Accounting, Taxation and Capital markets.
5.	Mr. Kanhaiyalal Didwania	Marketing, sales and consumer insights, operations, supply chain management and distribution.
6.	Mrs. Manjula Poddar	Governance and regulatory requirements, Financial management and Accounting, Taxation and Capital markets.
7.	Mr. Suresh Kumar Singhal ^a	Leadership, strategic planning, business operations, industry experience, risk management, Financial management and Accounting, Taxation and Capital markets, engineering and project management.

Notes :

a. Mr. Suresh Kumar Singhal ceased to be Director of the Company w.e.f. October 21, 2020.

3. BOARD COMMITTEES

A. Audit Committee

- a) The Company has an Audit Committee within the scope as set out in Regulation 18 of Listing Regulations read with Section 177 of the Act. As on March 31, 2021, the Committee comprises of four members i.e. 3 (three) Independent Non-Executive Directors, and 1 (one) Executive Director, all of whom are persons with considerable financial experience and expertise.

Mr. Suresh Kumar Singhal, Independent Director of the Company and Chairman of this Committee resigned from the Directorship of Company on October 21, 2020 due to other pre-occupations. He was present at the last Annual General Meeting of the Company held on September 29, 2020. Consequently Mrs. Manjula Poddar, Independent Director of the Company was appointed as new Chairman of the Audit Committee. Mrs. Manjula Poddar, B. Com, FCS

ANNEXURE - B to the Director's Report

and LLB aged about 42 years, is a Fellow Member of The Institute of Company Secretaries of India. She is a Practicing Company Secretary having vast experience of about 10 years in the field of Company Law, Finance and LLP to her credit. Mr. Radhey Shyam Jalan, also stepped down as a member of the Committee on January 29, 2021.

- b) The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and maintain the integrity and quality of the financial reporting. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and Regulation 18 of Listing Regulations. The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 of Listing Regulations.

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

- 1) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 2) Evaluation of internal financial controls and risk management systems;
- 3) Monitoring the end use of funds raised through public offers and related matters;
- 4) Examination of the financial statement and the auditors' report thereon;
- 5) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 6) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 7) Scrutiny of inter-corporate loans and investments;
- 8) Approval or any subsequent modification of transactions of the Company with related parties;

Audit Committee has powers prescribed under Regulation 18(3) of the Listing Regulations and the role and scope of activities of the Audit Committee is prescribed in Part C of Schedule II of this Regulation.

- c) The Audit Committee met 4 (four) times during the financial year 2020-21 i.e. on July 30, 2020; August 25, 2020; October 21, 2020 and January 29, 2020 and not more than four months have elapsed between two meetings.
- d) **The composition of the Audit Committee as on March 31, 2021 and attendance at the meetings of the Committee during financial year 2020-21 is as under:**

Name and Category of the Directors	Position held	No. of Audit Committee Meetings	
		Held	Attended
Mr. Suresh Kumar Singhal ^a DIN : 00058501 (Non-Executive, Independent Director)	Chairman	3	1
Mr. Laxmi Naryan Sharma DIN : 00356855 (Non-Executive, Independent Director)	Member	4	4
Mr. Radhey Shyam Jalan ^b DIN : 00578800 (Executive, Chairman and Managing Director)	Member	4	4
Mrs. Manjula Poddar ^c DIN : 08158445 (Non-Executive, Independent Director)	Chairman	4	4
Mr. Mukesh Bengani ^d DIN : 08892916 (Executive, Independent Director)	Member	3	3
Mr. Rajarshi Ghosh ^e DIN : 05270177 (Non-Executive, Independent Director)	Member	2	2

ANNEXURE - B to the Director's Report

Notes :

- Mr. Suresh Kumar Singhal ceased to be a chairperson of the Committee w.e.f October 21, 2020.
- Mr. Radhey Shyam Jalan ceased to be a member of the Committee w.e.f January 29, 2020.
- Mrs. Manjula Poddar was designated as the new Chairman of the Committee w.e.f October 21, 2020.
- Mr. Mukesh Bengani, was appointed as a member of the Committee w.e.f August 25, 2020.
- Mr. Rajarshi Ghosh was appointed as a member of the Committee w.e.f October 21, 2020.

e) The Chief Financial Officer and other Senior Functional Executives of the Company are invited as and when required to provide necessary inputs to the Committee. The Internal Auditors and Statutory Auditors or their representatives are also invited to each meeting of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

B. Nomination and Remuneration Committee

- Pursuant to provisions of Section 178 of the Act and Regulation 19 of Listing Regulations and amendments there upon, the Board has constituted the Nomination and Remuneration Committee to oversee the Company's nomination process for the senior management and to decide the salary, perquisites and commission/performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Group Policy, merit and Company's performance. The Committee also co-ordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors. All the members are Non-Executive, Independent Directors.
- The Nomination and Remuneration Committee met twice during the financial year 2020-21 on August 25, 2020 and October 21, 2020.
- The composition of the Nomination and Remuneration Committee as on March 31, 2021 and attendance at the meetings of the Committee during financial year 2020-21 is as under :**

Name and Category of the Directors	Position held	No. of Nomination and Remuneration Committee Meetings	
		Held	Attended
Mr. Suresh Kumar Singhal ^a DIN : 00058501 (Non-Executive, Independent Director)	Chairman	2	1
Mr. Laxmi Naryan Sharma DIN : 00356855 (Non-Executive, Independent Director)	Member	2	2
Mrs. Manjula Poddar ^b DIN : 08158445 (Non-Executive, Independent Director)	Chairman	2	2
Mr. Kanhaiyalal Didwania ^c DIN : 07746160 (Non-Executive, Non-Independent Director)	Member	1	1
Mr. Rajarshi Ghosh ^d DIN : 05270177 (Non-Executive, Independent Director)	Member	1	1

Notes :

- Mr. Suresh Kumar Singhal ceased to be a chairperson of the Committee w.e.f October 21, 2020.
- Mrs. Manjula Poddar was designated as the new Chairman of the Committee w.e.f October 21, 2020.
- Mr. Kanhaiyalal Didwania was appointed as a member of the Committee w.e.f August 25, 2020.
- Mr. Rajarshi Ghosh was appointed as a member of the Committee w.e.f October 21, 2020.

ANNEXURE - B to the Director's Report

d) Terms of Reference : The terms of reference of the Nomination and Remuneration Committee are in conformity with the provisions of Section 178 of the Act and Part D of Schedule II and Regulation 19 of Listing Regulations. The brief terms of reference of the Committee, interalia, include the following :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Director, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Nomination and Remuneration Policy : The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and Senior Management Personnel of the Company which is displayed on the website of the Company and can be accessed at the web link <http://kicmetaliks.com/wp-content/uploads/2016/01/NOMINATION-AND-REMUNERATION-POLICY.pdf>.

e) The details of remuneration paid to the Executive and Non- Executive Directors during the financial year 2020-21, are as follows :

i) Executive Directors :

Name and Category of the Director	Salary including Benefits/ Allowances, etc. (₹)	Period of Contract	
		From	To
Mr. Radhey Shyam Jalan DIN : 00578800 (Executive, Chairman and Managing Director)	96,00,000.00	4.11.2019	3.11.2022
Mr. Mukesh Bengani ^a DIN : 08892916 [Executive, Director (Finance) and Chief Financial Officer]	10,88,773.00	25.08.2020	24.08.2025
Total	106,88,773.00		

Notes :

a. Mr. Mukesh Bengani, Chief Financial Officer of the Company was also appointed as Director (Finance) of the Company w.e.f August 25, 2020.

No severance fees is payable to the Whole Time Directors on termination of the employment. The contract may be terminated by either party giving the other party three months notice. Presently, the Company does not have any scheme for grant of Stock Options to its Managing Directors, Directors or other employees.

ANNEXURE - B to the Director's Report**ii) Non-Executive Directors :**

Name and Category of the Director	Sitting Fees (₹)	Commission (₹)	No. of shares held
Mr. Laxmi Naryan Sharma DIN : 00356855 (Non-Executive, Independent Director)	25,000	Nil	Nil
Mr. Suresh Kumar Singhal ^a DIN : 00058501 (Non-Executive, Independent Director)	5,000	Nil	Nil
Mrs. Manjula Poddar DIN : 08158445 (Non-Executive, Independent Director)	25,000	Nil	Nil
Mr. Rajarshi Ghosh ^b DIN : 05270177 (Non-Executive, Independent Director)	15,000	Nil	Nil

Notes :

a. Mr. Suresh Kumar Singhal ceased to be a member of the Committee w.e.f October 21, 2020

b. Mr. Rajarshi Ghosh was appointed as a member of the Committee w.e.f October 21, 2020.

C. Stakeholder Relationship Committee

- a) Pursuant to provisions of Section 178(5) of the Act and Regulation 20 of the Listing Regulations and amendments there upon the Board has constituted Stakeholder Relationship Committee. This committee comprises of three Non-Executive Independent Directors.

This committee is specifically formed to look into the redressal of grievance of Members, debenture holders and other security holders. This committee shall consider and resolve the grievance of all the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend, etc.

During the financial year 2020-21, the committee met 3 (three) times on July 30, 2020; October 21, 2020 and January 29, 2021.

- b) **The composition of the Stakeholder Relationship Committee as on March 31, 2021 and the attendance at the meetings of the Committee during the financial year 2020-21 is as under :**

Name and Category of the Directors	Position held	No. of Stakeholder Relationship Committee Meetings	
		Held	Attended
Mr. Laxmi Naryan Sharma DIN : 00356855 (Non-Executive, Independent Director)	Chairman	3	3
Mr. Suresh Kumar Singhal ^a DIN : 00058501 (Non-Executive, Independent Director)	Member	3	1
Mrs. Manjula Poddar DIN : 08158445 (Non-Executive, Independent Director)	Member	3	3
Mr. Rajarshi Ghosh ^b DIN : 05270177 (Non-Executive, Independent Director)	Member	2	2

Notes :

a. Mr. Suresh Kumar Singhal ceased to be a member of the Committee w.e.f October 21, 2020.

b. Mr. Rajarshi Ghosh was appointed as a member of the Committee w.e.f October 21, 2020.

ANNEXURE - B to the Director's Report**c) Name, designation and address of****Compliance Officer : Mrs. Ruchika Fogla**

Company Secretary

K I C Metaliks Limited

"Sir RNM House" 3B, Lal Bazar Street,

4th Floor, Room No. 2, Kolkata – 700 001

West Bengal, India.

Tele/Fax : +91-33-4001-9636

E-mail : **companysecretary@kicmetaliks.com****d) Shareholder/Investor Complaints received and redressed during financial year 2020-21:**

Particulars	Nos.
Number of complaints pending as on April 1, 2020	Nil
Number of complaints received during April 1, 2020 to March 31, 2021	0
Number of complaints disposed off during the year ended on March 31, 2021	0
Number of complaints pending as on March 31, 2021	Nil

D. Corporate Social Responsibility Committee

In terms of the requirement of Section 135(1) of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility 'CSR' Committee. As on March 31, 2021 the committee comprising of 3 (three) Independent Non-Executive Directors, 1 (One) Non Independent Non-Executive Director and 1 (One) Executive Director. The Chairman of the Committee is an Independent Director. The terms of reference and scope of work is same as prescribed in Section 135 of the Act and the Rules framed thereunder.

During the financial year 2020-21, the committee met 2 (two) times on August 26, 2020 and March 30, 2021.

The composition of the Corporate Social Responsibility Committee as on March 31, 2021 and the attendance at the meetings of the Committee during the financial year 2020-21 is as under :

Name and Category of the Directors	Position held	No. of Corporate Social Responsibility Committee Meetings	
		Held	Attended
Mr. Laxmi Narayan Sharma DIN : 00356855 (Non-Executive, Independent Director)	Chairman	2	2
Mr. Suresh Kumar Singhal ^a DIN : 00058501 (Non-Executive, Independent Director)	Member	2	1
Mrs. Manjula Poddar DIN : 08158445 (Non-Executive, Independent Director)	Member	2	2

ANNEXURE - B to the Director's Report

Name and Category of the Directors	Position held	No. of Corporate Social Responsibility Committee Meetings	
		Held	Attended
Mr. Mukesh Bengani ^b DIN : 08892916 (Executive, Director (Finance) and Chief Financial Officer)	Member	2	2
Mr. Kanhaiyalal Didwania ^c DIN : 07746160 (Non-Executive, Non-Independent Director)	Member	2	2
Mr. Rajarshi Ghosh ^d DIN : 05270177 (Non-Executive, Independent Director)	Member	1	1

Notes :

- Mr. Suresh Kumar Singhal ceased to be a member of the Committee w.e.f October 21, 2020.
- Mr. Mukesh Bengani, was appointed as a member of the committee w.e.f August 25, 2020.
- Mr. Kanhaiyala Didwania was appointed as a member of the committee w.e.f August 25, 2020.
- Mr. Rajarshi Ghosh was appointed as a member of the committee w.e.f October 21, 2020.

4. OTHER DISCLOSURES

- a) Prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the financial year ended March 31, 2021, the Company did not have any 'material' related party transaction that may have potential conflict with the interests of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transactions Policy pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transactions Policy has been uploaded on the website of the Company at <http://kicmetaliks.com/wp-content/uploads/2016/01/RELATED-PARTY-TRANSACTION-POLICY.pdf>.

The Disclosure on Related Party Transactions forms integral part of the Notes to Financial Statements of the Company for the financial year ended March 31, 2021 (**Note No. 35**) as included in this Annual Report.

- b) The Company has duly complied with the requirements of the regulatory authorities on Capital Markets. No penalties, strictures have been imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter related to the capital markets in last three years, except a fine in the last financial year the details of which are as follows:

Type	Particulars	Brief Description	Amount of Penalty (in ₹)
Fine	Under Regulation 17(1) and 18(1) of Listing Regulations.	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director and constitution of audit committee	11,65,840

- c) Details regarding the establishment of Vigil Mechanism/Whistle Blower Policy have been disclosed in **Point No. 17** of the Directors' Report.

The Policy for determining the material subsidiaries has been uploaded on the website of the Company at <http://kicmetaliks.com/wp-content/uploads/2020/09/materail-subsidiary.pdf>

ANNEXURE - B to the Director's Report

- d) Total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors of the Company was ₹ 7.82 Lakhs. The firm of Statutory Auditors of the Company does not have any network firm/network entity of which the Statutory Auditors are a part as per confirmation obtained from it.
- e) Disclosure in relation to Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act 2013 have been disclosed in **Point No. 20** of the Directors' Report.
- f) The Company has complied with all mandatory requirements of the Listing Regulations, relating to Corporate Governance from Regulations 17 to 27 and has also complied with Clauses (b) to (i) of Regulation 46(2) relating to dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under :
- There are no modified opinions in the Audit Report given by M/s. B. N. Agrawal & Co., Statutory Auditors of the Company.
 - In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly Internal Audit Reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

5. GENERAL BODY MEETINGS**a) Details regarding venue, date and time of last 3 (three) Annual General Meetings of the Company are as follows:**

Sl. No.	AGM Particulars	Date	Time	Location
1.	33 rd Annual General Meeting of the year 2019-20	September 29, 2020	10:30 a.m.	Video Conferencing / Other Audio Visual Means (VC)
2.	32 nd Annual General Meeting of the year 2018-19	September 24, 2019	10:00 a.m.	"Kala Kunj" 48, Shakesperare Sarani, Kolkata 700 017 West Bengal, India
3.	31 st Annual General Meeting of the year 2017-18	September 26, 2018	10:00 a.m.	"Kala Kunj" 48, Shakesperare Sarani, Kolkata 700 017 West Bengal, India

b) Details regarding Special Resolutions passed in last 3 (three) Annual General Meetings are as follows :

Member's Meeting	Business requiring Special Resolution
33 rd Annual General Meeting held on September 29, 2020	Nil
32 nd Annual General Meeting held on September 24, 2019	<p>One Special resolution was proposed and approved :</p> <ul style="list-style-type: none"> • Re-appointment of Mr. Radhey Shyam Jalan (DIN: 00578800), as Chairman and Managing Director and payment of overall remuneration to him.
31 st Annual General Meeting held on September 26, 2018	<p>Three Special resolutions were proposed and approved :</p> <ul style="list-style-type: none"> • Sub-Division of 1 Equity Share of the face value of ₹ 10/- per share into 5 Equity Shares of face value of ₹ 2/- per share. • Alteration of the Capital Clause of the Memorandum of Association of the Company. • Alteration/Adoption of new set of Articles of Association of the Company as per Companies Act, 2013.

ANNEXURE - B to the Director's Report

c) Details regarding resolutions passed through Postal Ballot during financial year 2020-21:

During the financial year 2020-21, no resolutions were passed through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolutions through Postal Ballot.

d) Extraordinary General Meeting :

No Extraordinary General Meeting of the members was held during the financial year 2020-21.

6. MEANS OF COMMUNICATION

a) Quarterly Results	
(i) Which newspapers normally published in : English / Bengali	Business Standard (All editions)/ArthikLipi
(ii) Any website displayed :	www.kicmetaliks.com
b) Whether website also displays official news releases	Yes
c) Whether presentations made to institutional investors or analysts	No

7. GENERAL MEMBERS INFORMATION

a) AGM for Financial Year 2020-21 : Date and Day Time Venue	September 24, 2021 (Friday) 10:30 a.m. "Video Conferencing / Other Audio Visual Means (VC)"
b) Financial Calendar (tentative and subject to change)	
Financial reporting for the quarter ending June 30, 2021	By end July, 2021
Financial reporting for the quarter ending September 30, 2021	By end October, 2021
Financial reporting for the quarter ending December 31, 2021	By end January, 2022
Financial reporting for the year ending March 31, 2022	By end May, 2022
c) Book Closure period	From September 18, 2021 to September 24, 2021 (both days inclusive)
d) Dividend Payment Date	The Directors have not recommended any dividend for the financial year 2020-21
e) Listing on Stock Exchange(s) The Company's securities are currently listed at "BSE Limited"	Scrip Code – 513693 Scrip ID-KAJARIR
f) Listing & Custodian Fees for the financial year 2020-21 The Company has paid the Listing Fees for the financial year 2020-21 to BSE Limited. The Company has also paid custodian fees for the financial year 2020-21 to National Securities Depository Limited and Central Depository Services (India) Limited	ISIN No. : INE 434C01027 Depository Connectivity : NSDL and CDSL

ANNEXURE - B to the Director's Report**g) Market Price Data :**

High/low (based on the closing prices) and number of shares of the Company traded during each month in the financial year 2020-21 on BSE Limited

Month	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of shares	BSE Sensex Close
April, 2020	34.30	28.05	31.75	5,536	33,717.62
May, 2020	35.45	28.30	28.45	12,754	32,424.10
June, 2020	37.90	29.05	33.20	49,020	34,915.80
July, 2020	34.60	27.60	27.65	17,535	37,606.89
August, 2020	31.80	25.70	27.80	48,083	38,628.29
September, 2020	30.90	25.10	29.80	63,021	38,067.93
October, 2020	29.85	21.55	23.00	4,36,621	39,614.07
November, 2020	31.90	23.70	29.00	2,86,584	44,149.72
December, 2020	38.90	29.00	33.00	3,69,280	47,751.33
January, 2021	45.80	32.05	40.15	1,84,356	46,285.77
February, 2021	41.00	31.00	31.95	94,437	49,099.99
March, 2021	33.00	24.50	28.25	10,96,106	49,509.15

h) Performance of the Company in comparison with Broad based indices :

Comparison of K I C Metaliks Limited Share price with broad based indices - BSE Sensex

Particulars	K I C Metaliks share price v/s BSE Sensex	
	K I C Metaliks Ltd. Share Price	BSE Sensex
On April 1 , 2020 (open)	30.00	29,505.33
On March 31, 2021 (close)	28.25	49,509.15
% change	(-) 5.83 %	(+) 67.80 %

i) Registrar and Transfer Agent

For share related matters, Members are requested send their queries to the Company's Registrar and Transfer Agent- M/s. S. K. Infosolutions Pvt. Ltd. quoting their Folio No./DP ID and Client ID at the following address :

S. K. Infosolutions Pvt. Ltd.

D/42, Katju Nagar (Near South City Mall),
Ground Floor, Katju Nagar Bazar, Jadavpur
Kolkata -700 032, West Bengal, India

Phone : +91-33-2412-0027

Tele fax : +91-33-2412-0029

E-mail : contact@skcinfo.com/skcdilip@gmail.com

Website : www.skcinfo.com

Members holding shares in electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

ANNEXURE - B to the Director's Report**j) Share Transfer System**

The share transfer/transmission/splits and/or issue of duplicate share certificates are processed on behalf of the Company by the Registrar and Transfer Agent, M/s. S. K. Infosolutions Pvt. Ltd. and is then placed before the Company Secretary who had been delegated the authority to approve transfers. The Company Secretary addresses all the requests fortnightly.

k) Distribution of Shareholding as on March 31, 2021 :

Range or Equity Shares	No. of Holders	% of Holders	No. of Shares	% of Capital
Upto 500	1560	69.80	3,40,954	0.96
501 - 1000	291	13.02	2,60,417	0.73
1001 - 2000	136	6.09	217116	0.61
2001 – 3000	82	3.67	207700	0.59
3001 – 4000	34	1.52	126754	0.36
4001 – 5000	24	1.07	113339	0.32
5001 - 10000	53	2.37	393455	1.11
10001 -50000	36	1.61	831045	2.34
50001 -100000	4	0.18	306036	0.86
100001 and Above	15	0.67	32699184	92.12
Total	2,235	100.00	3,54,96,000	100.00

l) Category wise Shareholding as on March 31, 2021 :

Category of Members	No. of Holders	% of Holders	No. of Shares Held	% of Shares held
Promoters Holding	2	0.09	2,21,61,439	62.43
Non-Promoters Holding				
- Financial Institutions	-	-	-	-
- Bodies Corporate	66	2.95	95,48,476	26.90
- NRI and Foreign Company	34	1.52	1,27,208	0.36
Indian Public	2,133	95.44	36,58,877	10.31
Total	2,235	100.00	3,54,96,000	100.00

m) Dematerialisation of shares and liquidity as on March 31, 2021 :

Particulars of Shares	Equity Shares of ₹ 2/- each	
	Number of Shares	% of Total No. of Shares
A. Dematerialised Form		
a) NSDL	2,89,12,412	81.45
b) CDSL	62,04,818	17.48
Sub Total (A)	3,51,17,230	98.93
B. Physical Form	3,78,770	1.07
Total (A+B)	3,54,96,000	100.00

ANNEXURE - B to the Director's Report

The Equity Shares of the Company are compulsorily traded in dematerialised form on BSE Limited. Hence the shares enjoy enough liquidity in the market.

n) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely equity : Nil

o) Plant Location –Pig Iron Plant

Raturia, Angadpur, Durgapur - 713 215
West Bengal, India
Phone : +91-98749 43345

p) Address for Correspondence

Registered Office:

"Sir RNM House", 3B, Lal Bazar Street,
4th Floor, Room No. 2, Kolkata - 700 001
West Bengal, India
Tele/Fax : +91-33-4001-9636
Email : **info@kicmetaliks.com**

q) Green Initiative for paperless Communication :

Going Green begins at home is the Company's Mantra in all aspects of its operations. 24 trees are felled for every 1 ton of paper printed which is required for printing our Annual Report. Acutely aware of this shocking truth and for maintaining the planet Earth evergreen, the Ministry of Corporate Affairs 'MCA' has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies. Through its Circulars No. 17/2011 dated March 21, 2011 and No. 18/2011 dated April 29, 2011, MCA has provided that the service of notice / documents by a Company to its Members can now be made through electronic mode. In accordance with these circulars Companies can now send various notices and documents including Annual Report to its Members through electronic mode to the registered e-mail addresses of Members. We seek whole hearted support for this noble initiative in preserving our forests. We would request Members to register their e-mail addresses to get Annual Reports and other communications through e-mail instead of paper mode. In respect of electronic holdings, Members are kindly requested to register their e-mail addresses with the Depository Participant. Members who hold shares in physical form are requested to fill in the registration form which can be obtained from S. K. Infosolutions Pvt. Ltd. or downloaded from the Company website **www.kicmetaliks.com** under the Section 'Investors' and register the same with Company's RTA.

r) Credit Rating :

CARE Rating has given the credit rating of CARE BBB for long term and CARE A3+ for short term financial instruments of the Company.

8. CORPORATE ETHICS

The Company adheres to the highest standard of business ethics, compliances with statutory and legal requirements and commitment to transparency in business and the following has been adopted by the Company to maintain its ethical standards:

a) Code of Conduct 'Code' for Board and Senior Management

Your Company has adopted a Code of Conduct i.e. the 'KICML-Code of Conduct for the Board of the Directors, Key Managerial Personnel (KMP) and the Senior Management Personnel in terms of Regulation 17(5) of Listing Regulations. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

ANNEXURE - B to the Director's Report

Pursuant to Regulation 26(3) of Listing Regulations, the Managing Director of the Company confirmed compliance with the Code by all members of the Board, KMP and the Senior Management Personnel.

The full text of the Code is hosted on the Company's website and can be accessed at the web link <http://kicmetaliks.com/about-k-i-c-metaliks/code-of-conduct/>.

DECLARATION

As provided under Part D of Schedule V of Listing Regulations, all the members of the Board (including Independent Directors), Key Managerial Personnel and Senior Management Personnel of the Company have affirmed due observance of the KICML Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended March 31, 2021.

For **K I C METALIKS LIMITED**

Radhey Shyam Jalan

DIN : 00578800

Chairman and Managing Director

Place : Kolkata

Dated : June 25, 2021

b) Code of Conduct for Prohibition of Insider Trading

Your Company has adopted a Code of Conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The trading window closure are intimated in advance to all the concerned and during that period, the Board of Directors and designated persons are not permitted to trade in the securities of the Company.

c) Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary had carried out the Share Capital audit to reconcile the total admitted Equity Share Capital with NSDL and CDSL and the total issued and listed Equity Share Capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

ANNEXURE - B to the Director's Report**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members of
K I C Metaliks Limited
3B, Lal Bazar Street,
4th Floor, Room No. 2,
Kolkata – 700001

I/we have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **K I C Metaliks Limited** having CIN L01409WB1986PLC041169 and having registered office at "Sir RNM House", 3B, Lal Bazar Street, 4th Floor, Room No. 2, Kolkata - 700 001, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority except Mr. Rajarshi Ghosh (DIN: 05270177) as per Companies At, 2013 for non-filing of Annual Return and statement of Accounts in other entity in which he is a partner.

Sl. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Laxmi Naryan Sharma	00356855	September 17, 2012
2.	Mr. Radhey Shyam Jalan	00578800	January 16, 2009
3.	Mr. Kanhaiyalal Didwania	07746160	August 25, 2020
4.	Mrs. Manjula Poddar	08158445	June 23, 2018
5.	Mr. Mukesh Bengani	08892916	August 25, 2020
6.	Mr. Rajarshi Ghosh	05270177	October 21, 2021

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

For **B G Lahoti & Associates**

Place : Howrah
Dated : June 23, 2021
UDIN : A037056C000504897

Beni Gopal Lahoti
Practising Company Secretaries
ACS No. 37056
CP No. 14749

ANNEXURE - B to the Director's Report**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

[Pursuant Regulation 34(3) Read with Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
K I C Metaliks Limited
3B, Lal Bazar Street,
4th Floor, Room No. 2,
Kolkata – 700001

I have examined the compliance of conditions of corporate governance by **K I C Metaliks Limited** for the financial year ended March 31, 2021, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 1, 2020 to March 31, 2021.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **B G Lahoti & Associates**

Place : Howrah
Dated : June 23, 2021
UDIN : A037056C000504921

Beni Gopal Lahoti
Practising Company Secretaries
ACS No. 37056
CP No. 14749

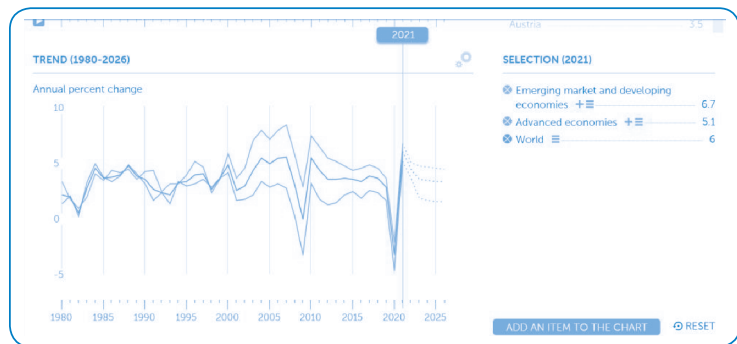
Management Discussion and Analysis Report



COVID-19 AND GLOBAL ECONOMIC SCENARIO

COVID-19 induced a global recession and in the last decade and a half its depth has only been surpassed by the 2 World Wars, Spanish Flu and the Great Economic Depression. Although the global economy which had come to a complete halt is growing again, it is unlikely to see a normal as usual into the foreseeable future. The pandemic which has caused severe loss of life is now tilting millions into poverty and is expected to create lasting scars thereby pushing economic activity and household income well below the pre-pandemic levels. During the mid - 2020, the initial recovery was supported by gradual easing of lockdown, but the resurgence of the virus in various levels has again brought restrictive measures into different parts of the globe. Some nations have even experienced high levels of daily new cases.

Global GDP contracted by 3.7 % in 2020. The global economy is expected to rebound by 5.2 % in 2021 (Source: oecd.org), driven by mature economies, emerging markets and developing economies. This has led towards a brighter prospect of the world economy. The vaccine rollout in many of the advanced economies has been driving the improvement, as has the massive fiscal stimulus by the United States. World GDP growth is expected to be 4.4 % next year but global income will still be some USD 3 trillion less by end 2022 than was expected before the crisis hit.



(Source: imf.org)

OUTLOOK

By the end of 2021 or early 2022, we expect the global economy to revert to its pre-pandemic level of output. However, this picture masks an uneven pattern. At one end of the spectrum is the Chinese economy, which is already bigger compared to its pre-pandemic size and on the other end are mostly advanced economies which are either service-based (UK, France, Spain) or more focused on exporting capital goods (Germany, Japan) and are unlikely to recover to their pre-crisis levels by the end of the year. In these economies, growing but lower levels of output is projected to lead to push up unemployment rates. Governments' of various countries are expected to focus gradually from fighting the COVID-19 virus to dealing with higher unemployment rates by up skilling their workforce and creating jobs in newly emerging labour-intensive sectors.

INDIAN ECONOMIC REVIEW

Overtaking UK and France in 2019, Indian emerged as the fifth largest economy in the world with a nominal GDP USD 2.94 trillion. India's rise has been dramatic in the last 25 years. Since 1995, the country's nominal GDP has jumped more than 700 %. But similar to the global economy India's economic growth took a hit due to a number of factors - including COVID-19 induced pandemic, slowdown in private consumption, investment and export - but the key indicator is lack of credit (money to produce goods) growth and demand in the market. As per the Economic Survey 2020-21 due to pandemic and other factored slowdown the Indian economy is expected to report a de-growth of (-) 7.7 % in 2020-21 compared to a growth of 4.2 % in 2019-20.

Although COVID-19 created havoc in the domestic economy, when a stringent lockdown was placed, but after the various phases of safe unlocking it has registered a V-shaped recovery due to robust pent-up demand, recovery in the services,

ANNEXURE - C to the Director's Report

a growth in consumption and investment across various sectors and mega vaccination drive conducted by both central and state governments but the dramatic infections upsurge since February 2021 weakened the nascent recovery and may compound financial woes of corporate and banks, with lockdowns being implemented in several states.

THE STEEL INDUSTRY

GLOBAL STEEL INDUSTRY

According to the World Steel Association (WSA), global crude steel production grew by a marginal 0.49 % YoY at 1,878 million tonnes per annum (MTPA) in 2020 - 21. China, India, Japan, USA and Russia continued to be the top five countries in crude steel production in 2020, producing more than 70.86 % of the world's total steel output. Turkey frog-leaped Germany and was placed 7th in crude steel production in 2020.

Despite the influence of the pandemic, through its different regional impacts, the global steel industry was fortunate to end 2020 with only a minor contraction in steel demand. Vast steelmaking capacity idled during the heights of the pandemic could not be brought online quickly enough to meet recovering steel demand and restocking, leading to the rapid rise in prices. Up to 30 % of global steelmaking capacity (excluding China) was idled or production at steel mills significantly reduced in response to a pandemic-induced drop in demand. However, the recovery in automotive production and white goods manufacturing was quicker than expected when the strictest lockdown measures were lifted. The construction sector was less affected, as it was supported by government stimulus schemes in many regions. Steel use in China expanded while it contracted in the rest of the world.



Did you know?

- 1) There are more than 3,500 different grades of Steel.
- 2) Steel is the world's most recycled material.
- 3) Almost half of America's Ferrous Scrap supply comes from industrial and manufacturing sources.
- 4) Stainless Steel Wire Forms can have a lower total cost of ownership than plastic forms.
- 5) Average age of a steel product is 40 years.

OUTLOOK

According to the World Steel Association (WSA), steel demand is expected to grow by 5.80 % in 2021 to reach 1,874 MT, after increasing by 0.45 % in 2020. In 2022 steel demand will see further growth of 2.7 % to reach 1,924 MT. The current forecast assumes that the ongoing second or third waves of infections will stabilise in the second quarter and that steady progress on vaccinations will be made, allowing a gradual return to normality in major steel-using countries.

INDIAN STEEL AND PIG IRON INDUSTRY

After a brief lull in 2020 pushed by the pandemic and the lockdown that affected all industries, the Indian steel industry is expected to bounce back to a robust growth phase in 2021. Recovery in demand is already visible in the construction, automobile and white goods segments.

India, a major Pig Iron manufacturer and exporter in the world, was already reeling under poor demand in Q1 FY 21 due to COVID-19 pandemic and associated lockdowns coupled with labour unavailability in foundries. Coal and coke, key raw materials for production of hot metal, experienced volatilities in prices throughout the year impacting our input costs. The removal of restrictions led to rebound in domestic steel demand during the second half of FY21. This rebound and higher demand from user industries pushed up the pig iron prices at the year end which helped your Company to sustain its topline and bottomline.

This rebound was shortlived and the resurgence of COVID-19 seems to have again faltered the recovery during the first two months of FY22. Diversion of oxygen for treatment of covid patients by steel mills have slowed down steel production

ANNEXURE - C to the Director's Report

and therefore production continues to remain lower than that in the corresponding period of FY19 or FY20. Besides, the imposition of localised lockdowns also hit demand from several user industries such as automobiles and consumer durables. While domestic demand weakened due to the localised lockdown, demand from the export market remained robust.

OUTLOOK

The Indian steel industry like its global counterparts belongs to one of those core industries that along with cement, renewable energy, coal and petro-chemicals is looking forward for a steady growth, 2021 onwards. The outlook for the sector is positive in the medium term as a revival is expected in the auto sector and the oil and gas sector will continue to grow with government-led spending. The medium to long term outlook in the pig iron business remains very encouraging.



Did you know?

Steel has been used for over 1,000 years. The earliest steel product is 4,000 years old. Steel has survived and thrived for many centuries. Steel helped produce the first skyscraper. In 1885, the Home Insurance Building was created. Since then, about 50 % of the world construction has been using steel.

SWOT ANALYSIS OF THE STEEL INDUSTRY



ANNEXURE - C to the Director's Report

OPERATIONAL AND FINANCIAL OVERVIEW

The Company operates in a single segment i.e. 'Iron and Steel and allied products' which, in context of the IND AS issued by the Institute of the Chartered Accountants of India, is considered to be the only business segment. Its plant is located at District Raturia, Angadpur, Durgapur, West Bengal. The Company's overall operational and financial performance has been satisfactory during the last year despite the overall dismal economic conditions cause by COVID-19.

Achieving an important milestone in its growth journey was the completion of K I C's modernization and expansion program, successfully. With the new projects on-stream, K I C's hot metal capacity went up to 2,35,000 MTPA from the present production level of around 1,65,000 MTPA. Our plant now has various new generation technological features like Pulverised Coal Injection (PCI), Oxygen and Nitrogen plant for enrichment in the MBF, a 25m² Annular Sinter Plant and other state-of-the-art energy-efficient and pollution control equipment including Waste Heat Recovery system. The entire K I C team made tremendous efforts, stepped up the pace of project work and worked committedly towards finishing the project. The end results are quite visible in all areas like production, revenues, cost of production, quality, our projects, our market share.

I specially congratulate Team K I C for bringing this to reality. Team K I C has always risen to the occasion whenever faced with challenges and the commissioning of the above projects in such difficult times is the result of dedication and team work of K I C Collective thus boosting the Company's overall productivity and profitability which helped K I C to swim through this pandemic.

During the FY 21 the Company recorded the profit after tax of ₹ 1,046.68 Lakhs (Previous Year: ₹ 825.24 Lakhs). The Basic EPS was ₹ 2.92 as compared to ₹ 2.32 in the FY 20 registering a growth of 25.86 % YoY. Hot Metal production in FY 21 was 175,745.02 MT.

Your Company has formed a wholly Owned Subsidiary Company in the name of KIC Minerals Private Limited on November 15, 2019. The Consolidated Gross Revenue from operations for FY 21 was ₹ 55,062.01 Lakhs (Previous Year: ₹ 49,606.77 Lakhs) and Consolidated Profit after tax stood at ₹ 1,046.50 Lakhs compared to ₹ 822.86 in the FY 20.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILS EXPLANATION THEREFOR :

Ratios	2020-21	2019-20	% Change
Debtors Turnover (Days)	5	6	(-)16.67 %
Inventory Turnover (Days)	80	81	(-) 1.23 %
Interest Coverage Ratio (Times)	2.42	2.68	(-) 9.70 %
Current Ratio (Times)	1.05	1.02	2.94 %
Debt Equity Ratio (Times)	1.11	1.04	6.73 %
Operating Profit Margin (%)	4.54 %	5.00 %	(-) 9.20 %
Net Profit Margin (%)	1.90 %	1.66 %	14.46 %
Return on average Net Worth (%)	8.67 %	7.49 %	15.75 %

IMPACT OF COVID-19

The outbreak of COVID -19 in last year led to an unprecedented social and economic disruption worldwide.

KIC's manufacturing facilities at Durgapur and its registered office at Kolkata were shut down temporarily from March 24, 2020 to May 4, 2020 based on the directives issued by the Central and the State Government. In the COVID-19 crisis, adhering to workplace safety and health practices and ensuring access to decent work and the protection of labour rights was more crucial for your Company thus addressing the human dimension of the crisis on priority. The Company's staff was instructed to work from home. After unlock various protection measures along with SOP's laid down by the Government were placed at plant and at the registered office of the Company and the operations resumed somewhat clumsily.

ANNEXURE - C to the Director's Report

During this period steel demand was also adversely affected due to lower activities from the main steel consuming sectors which struggled to operate amidst reduced economic activities in the lockdown situation. Although the operations of the Company were suspended for around one and half month and hot metal production was also affected during this period but still in the last FY your Company was able to maintain good production and capacity utilization levels and was able to sustain its topline and bottomline. K I C was able to swim through this pandemic due to team work and far sightedness of the management. Company had adequate raw materials, an enthusiastic staff working round the clock after the lockdown was lifted and even the demand for pig iron was good both locally and internationally which saved the Company from the ill effects of the pandemic.

OUTLOOK

Currently, while some nations (like China and South Korea) have successfully been able to flatten the pandemic curve, other nations are finding it difficult to achieve the same. In the absence of any definite therapy against COVID-19, the resilience of the health care infrastructure and health professionals is being put to test. India is presently witnessing a rapid surge in the number of COVID-19 cases. Although the nationwide lockdown has been able to decelerate the spread, the country's ever-increasing population, remarkably high population density and poor socioeconomic conditions are major barriers in India's battle against COVID-19. However, the overall low case-fatality rate and the relentless efforts of The Government of India and the health care providers are reassuring.

As the global economy reflates following the pandemic, commodity prices have led the recovery. With a strong recovery in the manufacturing, auto and engineering sector in the first quarter of FY 22 and an expected momentum in the GDP growth of our country, your Company expect the demand and prices for pig iron to improve in the current fiscal. The auto and engineering industry overall has mostly bounced back after taking a hit last year, and is now experiencing sales growth in China and the U.S. Government's 'Make in India' and 'Self-reliant India' initiatives, impetus on developing industrial corridors and smart cities has developed a conducive environment for the industrial development. Counting on the overall global scenario, and with its recently commissioned cost saving projects your Company is confident of delivering good results in the year under review.




Still, high and volatile raw material prices, high finance cost, shortage of skilled labor and working capital, high logistics cost, low domestic and global demand due to imposition of lockdown across all countries and states to contain spread of coronavirus in second wave of the pandemic, excess capacities due to high volume of cheap imports into India, lack of financial assistance, complex procedures for obtaining environmental clearances, high power tariff, are some of the major constraints which according to us can weigh down this expected recovery and growth.

RISKS AND CONCERNS

Business risks are potential incidents, which could negatively affect the achievement of the Company's vision, mission, goals and targets or organisational unit. Risk management involves the efforts to identify and mitigate the negative influence of various sources of risks faced by the Company's business activities to ensure optimal operations.

	Key Risk	Risk Mitigation
<p>Economy risk:</p> 	<p>A slowdown in the economy could impact the Company's business performance.</p>	<p>K I C Metaliks invested in integrated business which along with efficient operations helps the Company in staying afloat across market cycles.</p>
<p>Industry risk:</p> 	<p>A slowdown in the downstream industry could impact the Company's growth adversely.</p>	<p>The Company is widening and deepening its customer reach and also getting repeated orders from its existing customers. The Company possesses more than three decades of domain knowledge along with a deep terrain familiarity with the iron and steel manufacturing belt of Durgapur. The Company's backward integration has enhanced competitiveness and its unique product quality is easily accepted in downstream iron and steel manufacturers.</p>

ANNEXURE - C to the Director’s Report

	Key Risk	Risk Mitigation
<p>Raw material risk:</p> 	<p>Inability to procure raw material in right quality and quantity could impact operations.</p>	<p>The Company procured a majority of its raw materials with long-term agreements which kept the Company unaffected from the steep rise in their prices in the year under review and in the recent past. The recently commissioned cost saving projects of the Company have also reduced its dependence on the high cost raw material which form an integral part of the total production cost of hot metal.</p>
<p>Finance risk:</p> 	<p>Inability to fund projects and high debt burden could impact growth plan.</p>	<p>The Company has been repaying debts regularly to remain viable. It judiciously invests in capex for debottlenecking which helps it in gaining additional capacity. Besides, the Company’s business model ensures generation of free cash flow which is also invested in the business to grow capacities. Care Ratings has assigned CARE BBB for long term and CARE A3 for short term Financial instruments of the Company.</p>
<p>Health and safety risk:</p> 	<p>Any safety lapses would result in damage to property, assets and human capital.</p>	<p>The steel industry is subject to extensive health and safety laws, regulations and standards. The Company has embarked on period safety training and mandatory use of safety gadgets such as gum boots, helmets, hand gloves, masks on shop floors. Monthly apex meetings are also held for review of safety aspects, fatal accidents, if any. Fire protection systems are in place at various locations of the plant. Medical facilities for employees are also being provided by the Company.</p>

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company’s Board of Directors operates an extensive system of internal control. It includes the organisation’s plans and policies to ensure orderly and efficient business conduct. The Board has also set-up appropriate processes to monitor the relevant external and internal risks. The Company follows a well-defined model of internal control system to deal efficiently and effectively with all the five components of Internal Control System, namely:



The Company’s internal audit is carried out effectively, leading to an independent and systematic assessment of its data, records, performances, and so on with a pre-determined objective. It has the potential to be one of the most influential and value-added services available to the Board. It emphasises on:

- Operational effectiveness and efficiency.
- Resource protection.
- Reliability of internal and external reporting.
- Compliance with applicable laws, regulations and internal policies.

ANNEXURE - C to the Director's Report

Internal audit works as a catalyst for improving an organisation's effectiveness, thus providing insight and recommendations based on analysis and assessments of data and business processes. With its commitment to integrity and accountability, internal audit provides value to governing bodies and senior management as an objective source of independent advice. The organisation promotes independent examination of its plans and the policies, subject to the overall control environment supervision by the Board Level Audit Committee. This leads to accountability and transparency of operations and promotes independent examination. During the year, the Company focused on encouraging independent decision making, documentation of shortcomings of the various processes and departments, and correction of the work processes. It is supplemented by well-documented policies, guidelines, procedures and regular reviews, which are carried out by the Company's Internal Audit Department. The reports containing significant audit findings, if any, are submitted to the Company's management and its Audit Committee.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

For K I C Metaliks, our people are our strongest asset. The Company invests in building best-in-class teams, led by exceptional professionals. Over the years, the Company has nurtured a meritocratic, empowering and caring culture that encourages excellence. The Company encourages the development of talent by providing its people with opportunities to sharpen their capabilities, encouraging innovation, lateral thinking, and developing multiple skills. Through this approach, it prepares its people for future leadership roles.

The management is focused on transformational HR processes and policies, which support the constant reinforcement of our competitive advantage. The Company's HR strategy aligns its HR Policies, Standards and Roles and Responsibilities with the overall business strategy, giving the department the ability to process the requests of different business units successfully. During the year, the Company's industrial relations remained cordial. The Company employee strength was 324 employees as on March 31, 2021.

ANNEXURE - D to the Director's Report**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

for the financial year ended on March 31, 2021

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

A. REGISTRATION AND OTHER DETAILS

1. CIN	L01409WB1986PLC041169
2. Registration Date	August 26, 1986
3. Name of the Company	K I C Metaliks Limited
4. Category/Sub-Category of the Company	Public Company/Limited by shares
5. Address of the Registered Office and contact details	"Sir RNM House", 3B, Lal Bazar Street, 4th Floor, Room No. 2, Kolkata - 700 001, West Bengal, India Phone : +91-33-2210-3301 Tele/Fax : +91-33-4001-9636 E-mail : info@kicmetaliks.com Website : www.kicmetaliks.com
6. Whether listed Company (Yes/No)	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	D/42, Katju Nagar (Near South City Mall), Ground Floor, Katju Nagar Bazar, Jadavpur Kolkata -700 032 West Bengal, India Phone : +91-33-2412-0027 Tele fax : +91-33-2412-0029 E-mail : skcdilip@gmail.com; contact@skcinfo.com Website : www.skcinfo.com

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Iron and Steel	24101	88.74 %

ANNEXURE - D to the Director's Report**C. 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.	Karni Syntex Pvt. Ltd. Om Tower, 32, J. L. Nehru Road, 3rd Floor, Room No. 302, Kolkata – 700 071 West Bengal, India	U51109WB1993PTC061138	Holding	60.99	2(46)
2.	KIC Minerals Pvt. Ltd. 3B, Lal Bazar Street, 4 th Floor, Room No. 2, Kolkata 700 001 West Bengal, India	U13209WB2019PTC234755	Subsidiary	100.00	2(87)

D. SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of total Equity)**(i) Category-wise Share Holding :**

Category of Shareholders	No. of shares held at the beginning of the year i.e. April 1, 2020				No. of shares held at the end of the year i.e. March 31, 2021				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter and Promoter Group									
1. Indian									
Individual/HUF	3,84,983	-	3,84,983	1.08	5,13,475	-	5,13,475	1.44	0.36
Central Government(s)	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	2,06,85,480	0	2,06,85,480	58.28	2,16,47,964	0	2,16,47,964	60.99	2.71
Banks/FI	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Sub-total A(1)	2,10,70,463	0	2,10,70,463	59.36	2,21,61,439	0	2,21,61,439	62.43	3.07
2. Foreign									
NRIs -Individuals	-	-	-	-	-	-	-	-	-
Other- Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total A(2)	-	-	-	-	-	-	-	-	-
Total A=A(1)+A(2)	2,10,70,463	0	2,10,70,463	59.36	2,21,61,439	0	2,21,61,439	62.43	3.07
B. Public Shareholding									
1. Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Central Government(s)	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-

ANNEXURE - D to the Director's Report

Category of Shareholders	No. of shares held at the beginning of the year i.e. April 1, 2020				No. of shares held at the end of the year i.e. March 31, 2021				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
FII's	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total B(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
Bodies Corporate									
i. Indian	1,11,66,568	18,000	1,11,84,568	31.51	95,30,476	18,000	95,48,476	26.90	(4.61)
ii. Overseas	0	1,000	1,000	0.00	0	1,000	1,000	0.00	0.00
Individuals									
i. Individual holding nominal share capital upto ₹ 1 Lakh	15,57,645	3,59,770	19,17,415	5.40	18,30,064	3,59,770	21,89,834	6.17	0.77
ii. Individual holding nominal share capital in excess of ₹ 1 Lakh	12,68,656	0	12,68,656	3.57	14,69,043	0	14,69,043	4.14	0.57
Others (specify)									
NRI's	53,898	0	53,898	0.15	1,26,208	0	1,26,208	0.35	(0.20)
Sub-total B(2)	1,40,46,767	3,78,770	1,44,25,537	40.64	1,29,55,791	3,78,770	1,33,34,561	37.56	0
Total B=B(1)+ B(2)	1,40,46,767	3,78,770	1,44,25,537	40.64	1,29,55,791	3,78,770	1,33,34,561	37.56	0
C. Shares held by Custodian for									
GDR's	-	-	-	-	-	-	-	-	-
ADR's	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,51,17,230	3,78,770	3,54,96,000	100	3,51,17,230	3,78,770	3,54,96,000	100	Nil

(ii) Shareholding of Promoters :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2020			Shareholding at the end of the year i.e. March 31, 2021			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Karni Syntex Pvt. Ltd.	2,06,85,480	58.28	20.00	2,16,47,964	60.99	20.00	2.71
2.	Radhey Shyam Jalan	3,84,983	1.08	-	5,13,475	1.44	-	0.36
	Total	2,06,85,480	58.28	20.00	2,21,61,439	62.43	20.00	3.07

ANNEXURE - D to the Director's Report**(iii) Change in Promoters' Shareholding (please specify, if there is no change) :**

Sl. No.	Name of the Holder	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Karni Syntex Pvt. Ltd.				
	At the beginning of the year	2,06,85,480	58.28	2,06,85,480	58.28
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	October 28, 2020 (Purchase)			(+) 1,09,731	0.31
	October 29, 2020 (Purchase)			(+) 41,028	0.12
	October 30, 2020 (Purchase)			(+) 27,537	0.08
	November 4, 2020 (Purchase)			(+) 27,674	0.08
	November 5, 2020 (Purchase)			(+) 13,060	0.04
	November 9, 2020 (Purchase)			(+) 25,001	0.07
	November 10, 2020 (Purchase)			(+) 24,990	0.07
	November 18, 2020 (Purchase)			(+) 3,131	0.01
	November 26, 2020 (Purchase)			(+) 24,914	0.07
	December 2, 2020 (Purchase)			(+) 20,166	0.06
	December 8, 2020 (Purchase)			(+) 11,401	0.03
	December 17, 2020 (Purchase)			(+) 13,430	0.04
	March 17, 2021 (Purchase)			(+) 99,700	0.28
	March 18, 2021 (Purchase)			(+) 91,644	0.26
	March 19, 2021 (Purchase)			(+) 1,28,080	0.36
	March 24, 2021 (Purchase)			(+) 99,950	0.28
	March 25, 2021 (Purchase)			(+) 1,40,000	0.39
	March 26, 2021 (Purchase)			(+) 61,047	0.17
	At the end of the year			2,16,47,964	60.99
2.	Radhey Shyam Jalan				
	At the beginning of the year	3,84,983	1.08	3,84,983	1.08
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	December 10, 2020 (Purchase)			(+) 30,440	0.09
	December 11, 2020 (Purchase)			(+) 25,699	0.07
	March 12, 2021 (Purchase)			(+) 72,353	0.20
	At the end of the year			5,13,475	1.44

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDR's & ADR's):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Flamingo Overseas Pvt. Ltd.				
	At the beginning of the year	30,00,000	8.45	30,00,000	8.45
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	At the end of the year			30,00,000	8.45

ANNEXURE - D to the Director's Report

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	Maryada Barter Pvt. Ltd.				
	At the beginning of the year	16,06,564	4.53	16,06,564	4.53
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	September 18, 2020 (Purchase)			(+) 1,023	0.00
	September 25, 2020 (Purchase)			(+) 6,335	0.01
	October 2, 2020 (Purchase)			(+) 1,541	0.00
	October 9, 2020 (Purchase)			(+) 17,096	0.04
	October 9, 2020 (Purchase)			(+) 8,500	0.02
	October 16, 2020 (Sale)			(-) 16,32,559	4.59
	October 16, 2020 (Purchase)			(+) 16,72,018	4.71
	November 13, 2020 (Purchase)			(+) 1,000	0.00
	At the end of the year			16,81,518	4.73
3.	Prayash Securities Pvt. Ltd				
	At the beginning of the year	12,50,000	3.52	12,50,000	3.52
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	At the end of the year			12,50,000	3.52
4.	Pujam Sales & Services Pvt. Ltd.				
	At the beginning of the year	12,47,500	3.52	12,47,500	3.52
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	At the end of the year			12,47,500	3.52
5.	Ivory Consultants Pvt. Ltd.				
	At the beginning of the year	8,46,784	2.39	8,46,784	2.39
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	September 18, 2020 (Purchase)			25,000	0.07
	At the end of the year			8,71,784	2.46
6.	Gita Kirti Ambani				
	At the beginning of the year	5,54,655	1.56	5,54,655	1.56
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	At the end of the year			5,54,655	1.56
7.	Delight Grih Nirman Pvt. Ltd.				
	At the beginning of the year	3,01,443	0.85	3,01,443	0.85
	Date wise increase/decrease in shareholding during the year				
	October 9, 2020 (Sale)	-	-	(-) 500	0.00
	November 20, 2020 (Sale)			(-) 8,000	0.02
	November 27, 2020 (Sale)			(-) 4,000	0.01
	December 11, 2020 (Sale)			(-) 10,000	0.02
	December 18, 2020 (Sale)			(-) 10,929	0.03
	December 25, 2020 (Purchase)			(+) 1,500	0.00
	January 8, 2021 (Sale)			(-) 5,000	0.01
	February 26, 2021 (Sale)			(-) 22,036	0.06
	March 5, 2021 (Sale)			(-) 26,167	0.07

ANNEXURE - D to the Director's Report

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	March 12, 2021 (Sale)			(-) 48,187	0.13
	March 19, 2021 (Sale)			(-) 68,124	0.19
	March 26, 2021 (Sale)			(-) 1,00,000	0.28
	March 31, 2021 (Purchase)			(+) 5,50,000	1.55
	At the end of the year			5,50,000	1.55
8.	Saurabh Lakhotia				
	At the beginning of the year	2,87,093	0.81	2,87,093	0.81
	Date wise increase/decrease in shareholding during the year				
	April 3, 2020 (Purchase)			(+) 415	0.00
	December 18, 2020 (Purchase)			(+) 43,459	0.12
	At the end of the year			3,30,967	0.93
9.	Ghanshyam T Bang				
	At the beginning of the year	2,75,815	0.78	2,75,815	2,75,815
	Date wise increase/decrease in shareholding during the year				
	October 23, 2020 (Purchase)	-	-	(+) 1,000	0.00
	March 12, 2021 (Purchase)	-	-	(+) 570	0.00
	At the end of the year			2,77,385	0.78
10.	Life Line Marketing Pvt. Ltd.				
	At the beginning of the year	2,69,312	0.76	2,69,312	0.76
	Date wise increase/decrease in shareholding during the year	-	-	-	-
	At the end of the year			2,69,312	0.76

(v) Shareholding of Directors and KMP :

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Radhey Shyam Jalan (Chairman and Managing Director)				
	At the beginning of the year	3,84,983	1.08	3,84,983	1.08
	Date wise increase/decrease in shareholding during the year				
	December 10, 2020 (Purchase)			(+) 30,440	0.09
	December 11, 2020 (Purchase)			(+) 25,699	0.07
	March 12, 2021 (Purchase)			(+) 72,353	0.20
	At the end of the year			5,13,475	1.44
2.	Mr. Mukesh Bengani ^a [Director (Finance) and Chief Financial Officer]				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00

ANNEXURE - D to the Director's Report

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative shareholding during the year i.e. March 31, 2021	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3.	Mr. Laxmi Narayan Sharma (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00
4.	Mrs. Manjula Poddar (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00
5.	Mr. Kanhaiyalal Didwania ^b (Non Independent Director)				
	At the beginning of the year	25,000	0.07	25,000	0.07
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			25,000	0.07
6.	Mr. Suresh Kumar Singhal ^c (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00
7.	Mr. Rajarshi Ghosh ^d (Independent Director)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00
8.	Mrs. Ruchika Fogla (Company Secretary)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			0	0.00

Notes

- Mr. Mukesh Bengani, Chief Financial Officer of the Company was also appointed as Director (Finance) of the Company w.e.f. August 25, 2020.
- Mr. Kanhaiyalal Didwania was appointed as a Non Executive, Non Independent Director of the Company w.e.f. August 25, 2020.
- Mr. Suresh Kumar Singhal ceased to be a Director of the Company w.e.f. October 21, 2020.
- Mr. Rajarshi Ghosh was appointed as an Independent Director of the Company w.e.f. October 21, 2020.

ANNEXURE - D to the Director's Report**E. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	5,610.33	2,250.00	-	7,860.33
(ii) Interest due but not paid	-	70.13	-	70.13
(iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	5,610.33	2,320.13	-	7,930.46
Change in Indebtedness during the financial year				
• Addition	1,722.01	299.43	-	2,021.44
• Reduction	-	291.56	-	291.56
Net Change	1,722.01	7.87	-	1,729.88
Indebtedness at the end of the financial year				
(i) Principal Amount	7,332.34	2,050.00	-	9,382.34
(ii) Interest due but not paid	-	278.00	-	278.88
(iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	7,332.34	2,328.00	-	9,660.34

F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Remuneration to Managing Director, Whole-time Directors and/or Manager : (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Radhey Shyam Jalan (Chairman and Managing Director)	Mr. Mukesh Bengani [Director (Finance) and Chief Financial Officer]	
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	96.00	10.89	106.89
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	(a) As % of profit	-	-	-
	(b) Others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (1+2+3+4+5)	96.00	10.89	106.89
	Overall Ceiling as per the Act	₹ 120.00 Lakhs (Calculated as per Section II of Part II of Schedule V of the Act)		

ANNEXURE - D to the Director's Report**(ii) Remuneration to other Directors :**

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mrs. Manjula Poddar (Independent Director)	Mr. Rajarshi Ghosh (Independent Director)	Mr. Laxmi Narayan Sharma (Independent Director)	
1.	Independent Directors	-	-	-	-
	(a) Fee for attending Board/ Committee meetings	0.25	0.15	0.25	0.65
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	0.25	0.15	0.25	0.65
2.	Other Non-Executive Directors	-	-	-	-
	(a) Fee for attending Board/ Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (1+2)	0.25	0.15	0.25	0.65
	Total Managerial Remuneration	0.25	0.15	0.25	0.65
	Overall Ceiling as per the Act	1% of the net profit of the Company calculated as per Section 198 of the Act.			

Note:

Non-Executive Non-Independent Director(s) of the Company do not accept sitting fees and/ or Commission on the Net Profits of the Company.

(iii) Remuneration to KMP, other than MD/Manager/WTD :

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mrs. Ruchika Fogla (Company Secretary)	
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2.90	2.90
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-
	(c) Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	(a) As % of profit	-	-
	(b) Others, specify	-	-
5.	Others, please specify	-	-
	Total (1+2+3+4+5)	2.90	2.90

ANNEXURE - D to the Director's Report**G. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type/Name	Under section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Com pounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : June 25, 2021

Radhey Shyam Jalan
DIN : 00578800
Chairman and Managing Director

ANNEXURE - E to the Director's Report**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,
The Members,
M/s. K I C Metaliks Limited
3B, Lal Bazar Street
4th Floor, Room No. 2
Kolkata – 700 001

I, Beni Gopal Lahoti, Proprietor of M/s. B G LAHOTI & ASSOCIATES, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. K I C Metaliks Limited [CIN: L01409WB1986PLC041169]** (hereinafter called "**the Company**").

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing or opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance– mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I hereby report that compliance with applicable laws is the responsibility of the company and my report constitutes an independent opinion. My report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. K I C Metaliks Limited** for the financial year ended on **March 31, 2021** according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable during the Audit Period;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 : Disclosures are filed by the Company whenever required.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ANNEXURE - E to the Director's Report

- e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
Following Regulations and Guideline prescribed under the Provisions of the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 are not applicable during the Audit Period;
- b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are not applicable during the Audit Period;
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable during the Audit Period ;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable during the Audit Period;
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 are not applicable during the Audit Period;
- vi) Reserve Bank of India Act 1934 and various directions issued by Reserve Bank of India, so far applicable to Non-Banking Financial Companies.
- vii) Other Laws applicable to the Company as per the representations made by the Company :
- (i) Secretarial Standards with respect to the Board and general meetings issued by The Institute of Company Secretaries of India &
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

To the best of my understanding, I am of the view that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the laws applicable specifically to the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Following changes in composition of the Board of Directors took place during the period under review.

Sl. No.	Name of the Director	DIN No.	Date of Appointment	Date of Cessation	Designation
1.	Mr. Mukesh Bengani	08892916	25/08/2020	N.A.	Director
2.	Mr. Kanhaiyalal Didwania	07746160	25/08/2020	N.A.	Director
3.	Mr. Rajarshi Ghosh	05270177	21/10/2020	N.A.	Additional Director
4.	Mr. Suresh Kumar Singhal	00058501	N.A.	21/10/2020	Director

Adequate notices were given to all Directors to schedule the Board Meetings, agenda along-with detailed notes and the same were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Minutes of Committee meetings (as per the applicable provisions of the Act) were duly maintained.

Decisions at the Board Meetings, as represented by the management were taken unanimously.

ANNEXURE - E to the Director's Report

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

We, further report that, to the best of my understanding, the Company during the year under report, had not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the Laws, rules, guidelines, standards, etc. referred to above.

This report is to be read with our letter on the even date which is annexed as **"ANNEXURE A"** and forms an integral part of this report.

For **B G Lahoti & Associates**

Place : Howrah

Dated : June 23, 2021

UDIN : A037056C000504941

Beni Gopal Lahoti

Practising Company Secretaries

ACS No. 37056

CP No. 14749

ANNEXURE - E to the Director's Report

'ANNEXURE A'

To,
The Members,
M/s. K I C Metaliks Limited
3B, Lal Bazar Street
4th Floor, Room No.-2
Kolkata – 700 001

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

1. Maintenance of Secretarial record is the responsibility of the Management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I had followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required I have obtained the Management representations about the compliance of laws, rules and regulations 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither as 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.
7. **Physical Verification of Documents could not be done due to lockdown on account of "COVID-19."**

For **B G Lahoti & Associates**

Place : Howrah
Dated : June 23, 2021
UDIN : A037056C000504941

Beni Gopal Lahoti
Practising Company Secretaries
ACS No. 37056
CP No. 14749

ANNEXURE - F to the Director's Report**COMPLIANCE CERTIFICATE**

Under Regulation 17(8) of SEBI (LODR) Regulations, 2015

To,
The Board of Directors,
K I C Metaliks Limited
"Sir RNM House",
3B, Lalbazar Street,
4th Floor, Room No. 2,
Kolkata - 700 001

We, Mr. Radhey Shyam Jalan, (DIN : 00578800) Managing Director and Mr. Mukesh Bengani, Director (Finance) and Chief Financial Officer, responsible for the finance function, certify that :

- A. We have reviewed financial statements and the cash flow statement for the financial year 2020-21 and that to the best of our knowledge and belief :
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee :
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **K I C METALIKS LIMITED**For **K I C METALIKS LIMITED****Radhey Shyam Jalan**

(DIN : 00578800)

Chairman and Managing Director

Mukesh Bengani

(DIN : 08892916)

Director (Finance) and Chief Financial Officer

Place : Kolkata**Dated : June 25, 2021**

Corporate social responsibility (CSR) activities



[Pursuant to Section 135 of the Companies Act, 2013, as amended read with Notification issued by the Ministry of Corporate Affairs dated the January 22, 2021 and Rules made thereunder]

1. Brief outline on CSR policy of the Company

Your Company believes that along with sustained economic performance, environmental and social conservancy is also a key factor for holistic business growth. It pledges itself to care for and serve the community by designing sustainable development model that leads to socio-economic and ecological development in its area of influence. Through the values and principles inherent within the Company, it strives to positively impact the community by promoting inclusive growth in the areas of education, healthcare, sports, environmental sustainability and conservation etc. The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website and the weblink for the same is provided in this report. The Company has taken up or shall take activities mentioned in its policy as and when fruitful opportunity exists.

2. Composition of the CSR Committee

Sl No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Laxmi Naryan Sharma	Chairman	2	2
2.	Mrs. Manjula Poddar	Member	2	2
3.	Mr. Rajarshri Ghosh	Member	2	1
4.	Mr. Mukesh Bengani	Member	2	2
5.	Mr. Kanhaiyalal Didwania	Member	2	2
6.	Mr. Suresh Kumar Singhal ^a	Member	1	1

Notes :

a. Mr. Suresh Kumar Singhal ceased to be a Director of the Company w.e.f. October 21, 2020.

3. Web link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

The Board of Directors of the Company has approved the CSR Policy as recommended by the Committee and the same has been uploaded on the Company's website at <http://kicmetaliks.com/wp-content/uploads/2019/04/CSR-Policy-1.pdf>

ANNEXURE - G to the Director's Report**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) :**

Not Applicable

5. Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Not Applicable	

6. Average net profit of the Company as per Section 135(5) of the Companies Act, 2013 : 29.08 Lakhs**7. a)** Two percent of average net profit of the Company as per section 135(5) 58.17 Lakhs

b) Surplus arising out of the CSR projects or programs or activities of the previous financial years 0

c) Amount required to be set off for the financial year, if any Not Applicable

d) Total CSR obligation for the financial year (7a+7b-7c) 58.17 Lakhs

8. a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
27.77 Lakhs	70.29 Lakhs	April 30, 2021	-	-	-

Notes :

As on March 31, 2021 the Company needs to transfer ₹ 80.29 lakhs to unspent CSR Account as per Section 135(6) of the Companies Act, 2013. On April 19, 2021 the Company transferred ₹ 10 Lakhs from this amount to an ongoing project, consequent to which ₹ 70.29 Lakhs was transferred to the unspent CSR Account on April 30, 2021.

b) Details of CSR amount spent against ongoing project for the financial year :

1	2	3	4	5	6	7	8	9	10	11		
Sl No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project State District		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation Direct (Yes / No)	Mode of Implementation through Implementing Agency Name CSR registration number	
1.	Promoting Health and Safety	Clause II of Schedule VII	Yes	West Bengal	Durgapur	1 years	15 Lakhs	2.01 Lakhs	15 Lakhs	Yes	-	-

ANNEXURE - G to the Director's Report

c) Details of CSR amount spent against other than ongoing projects for the financial year :

1	2	3	4	5		6	7	8	
Sl No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR registration number
1.	Promoting Education	Clause II of Schedule VII	Yes	West Bengal	Kolkata	22.05 Lakhs	No	• Thakurpukur Nawjawan Welfare Society • Friends of Tribals Society	
2.	Promoting safe Drinking water	Clause I of Schedule VII	Yes	West Bengal	Durgapur	3.10 Lakhs	Yes		
3.	Promoting Health and Safety	Clause II of Schedule VII	Yes	West Bengal	Durgapur	1.62 Lakhs	Yes		
4.	Promoting Sports	Clause VII of Schedule VII	Yes	West Bengal	Kolkata	1 Lakh	Yes		
	Total					27.77 Lakhs			

d) Amount spent in Administrative Overheads	:	0
e) Amount spent on impact Assessment, if applicable	:	Not applicable
f) Total amount spent for the financial year (8b+8c+8d+8e)	:	29.78 Lakhs
g) Excess amount for the set off, if any		

Sl No.	Particulars	Amount (In ₹)
i.	Two percent of average net profit of the Company as per Section 135(5)	Nil
ii.	Total amount spent for the financial year	Nil
iii.	Excess amount spent for the financial year [ii-i]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	Nil
v.	Amount available for set off in succeeding financial years [iii-iv]	Nil

9. a) Details of unspent CSR amount for the preceding three financial year :

1	2	3	4	5			6
Sl No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2019-20	-	4.32 Lakhs	-	-	-	51.90 Lakhs
2.	2018-19	-	11.58 Lakhs	-	-	-	6.59 Lakhs
	Total		27.48 Lakhs				58.49 Lakhs

ANNEXURE - G to the Director's Report

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) :

1	2	3	4	5	6	7	8	9
Sl No.	Project ID	Name of the project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
					Nil			

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :

- | | |
|---|------------|
| a) Date of creation or acquisition of the capital asset(s) | Nil |
| b) Amount of CSR spent for creation or acquisition of capital asset | Nil |
| c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | Nil |
| d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) | Nil |

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

The Company needs to mandatorily spend ₹ 110.06 Lakhs in financial year 2020-21 towards CSR activities (which includes previous years of unspent CSR Amount ₹ 51.90 Lakhs). Out of mandated limit of ₹ 110.06 Lakhs, the Company has spent ₹ 29.78 Lakhs (including ₹ 2.01 Lakhs spent on ongoing projects) for the financial year 2020-21. The difference amount could not be spent as the Company has chosen long term projects which got delayed due to the global pandemic COVID 19 and related lockdowns in the Country. The aforesaid unspent amount has been transferred to separate CSR unspent Account for the on-going projects of the Company in compliance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 vide MCA Notification dated January 22, 2021.

The CSR Committee of the Board of Directors acknowledges the responsibility for the implementation and monitoring the CSR Policy and accordingly state that the same is in compliance with CSR objectives and policy of the Company and the Company has complied with all the requirements in this regard.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : June 25, 2021

Radhey Shyam Jalan
(DIN : 00578800)
Chairman and Managing Director

Laxmi Naryan Sharma
(DIN : 00356855)
Chairman of CSR Committee

ANNEXURE - H to the Director's Report**Form AOC-1**

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**Part A**
Subsidiaries

Sl. No.	Particulars	Details
1.	Name of the subsidiary	KIC Minerals Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	5,00,000
5.	Reserves & surplus	₹ (-) 2,56,820
6.	Total assets	₹ 2,66,780
7.	Total Liabilities	₹ 2,66,780
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit before taxation	₹ (-) 17,880
11.	Provision for taxation	Nil
12.	Proposed Dividend	Nil
13.	Extent of shareholding (in percentage)	100 %

Notes :

- a. Names of subsidiaries which are yet to commence operations : KIC Minerals Private Limited
b. Names of subsidiaries which have been liquidated or sold during the year : Nil

Part B
Associates and Joint Ventures

Not Applicable as there are no Associates and Joint Ventures

For and on behalf of the Board

Radhey Shyam Jalan (DIN: 00578800)

Chairman and Managing Director

For and on behalf of the Board

Mukesh Bengani

Director (Finance) and Chief Financial Officer

Place : Kolkata

Date : June 25, 2021

Ruchika Fogla

Company Secretary (Membership No. A23339)

Laxmi Naryan Sharma

Director (DIN: 00356855)

ANNEXURE - I to the Director's Report**DISCLOSURE IN DIRECTOR'S REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014**

Sl. No.	Employee Name	Designation	Remuneration Received (Amt. ')	Qualification	Age (yrs.)	Total Experience (yrs.)	Date of Commencement of Employment in the Company	Previous employment
A	B	C	D	E	F	G	H	I
1.	Radhey Shyam Jalan	Managing Director	96,00,000	B. Com (H), Chartered Accountant	40	22	16.01.2009	Nil
2.	Barun Kumar Singh	Head – Project and Business Development	23,69,616	Metallurgical Engineer	56	31	01.04.2018	Usha Martin Industries Ltd.
3.	Suryadevara Srinivas	Vice President	20,79,873	BE (Mechanical)	54	29	22.07.2020	Hospet Steel Ltd.
4.	Manoj Prasad	DGM (Mechanical)	17,29,215	Diploma (Mechanical Engineering)	46	24	01.10.2011	Jai Balaji Industries Ltd.
5.	Naga Venkata Ramesh Dronavall	DGM (Operation)	15,59,678	Diploma (Metallurgy)	50	27	19.01.2017	Atibir Industries Co. Ltd.
6.	Navaratan Chhajjar	Commercial Manager	12,39,004	B.com, Chartered Accountant	55	33	10.12.1993	Woolworth India Ltd.
7.	Rama Shankar Singh	DGM - CPP	11,53,611	B-Tech (Electrical)	52	29	24.06.2017	Neo Metaliks Ltd.
8.	Mukesh Bengani	Director (Finance) and Chief Financial Officer	10,88,773	B. Com (H), Chartered Accountant	42	16	01.04.2009	ICICI Bank Ltd.
9.	Rahul Shawrikar	Senior Manager	8,64,523	B-Tech Mechanical	35	13	06.04.2019	Satbhana Steel Ltd.
10.	Supriya Banerjee	Manager (MBF/ Electrical)	8,55,014	Diploma (Electrical)	45	23	15.03.2007	Shivam Industries Ltd.

Notes :

1. Remuneration received includes salary, commission, allowances, medical and leave travel expenses, leave encashment paid, monetary value of perquisites as per Income Tax Rules and Company's contributions to Provident and Superannuation Fund.
2. Nature of employment is Contractual in the case of Managing Director and Whole Time Director.
3. In respect of all the other employees, the nature of employment is non-contractual, terminable by notice on either side and liable to be transferred to any division of the Company.
4. None of the employee mentioned above is relative of any Director of the Company.
5. None of the employee has any shareholding in the Company, except Mr. Radhey Shyam Jalan who hold 5,13,475 equity shares as on March 31, 2021.
6. Total experience shown in Column G includes service with previous employers.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : June 25, 2021

Radhey Shyam Jalan
(DIN : 00578800)
Chairman and Managing Director

STANDALONE

Financial Statements

INDEPENDENT Auditor's Report

To the Members of M/s. K I C Metaliks Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **K I C Metaliks Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Profit and total comprehensive income, Changes in Equity and its Cash Flow 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 (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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

INDEPENDENT Auditor's Report

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 scepticism throughout the audit. We also:

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought

INDEPENDENT Auditor's Report

to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, to the extent applicable, we report that,
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement 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 read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us
 - I. The Company has disclosed the impact of pending litigations on its financial position as on March 31, 2021 in its standalone financial statements;
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - III. There were no amounts, which were required to be transferred, to the Investor Education and protection fund by the company.

For **B. N. AGRAWAL & CO.**
Chartered Accountants
Firm Reg. No. 320312E

S. K. Agarwal
Partner

Place : Kolkata
Date : June 25, 2021

Membership No. 068141
UDIN: 21068141AAAAEP9480

ANNEXURE A to the Independents Auditor's Report

(Referred to in Paragraph 1 under 'Report on other Legal and Regulatory Requirements' Section of our report to the Members of K I C Metaliks Limited of even date)

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - (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 name of company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable interval and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of The Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public to which directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.
6. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under section 148(1) of the Companies Act, 2013 and are of the opinion on that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us in respect of statutory dues:
 - (a) There is no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and Goods and Service Tax and other material statutory dues were in arrears as at March 31, 2021, for a period of more than six months from the date they became Payable.
 - (b) According to the information and explanations given to us, following are the statutory dues arrear as at March 31, 2021 which has not been deposited on account of dispute.

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act	CENVAT Credit Disallowed	14.34	2017	CESTAT

8. The company has not defaulted in repayment of loans or Borrowings to any financial institution, banks, government or debenture holders during the year.
9. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that, the Company has not raised any money by way of initial public offer or further public offer(including debt instrument) and term loan during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

ANNEXURE A to the Independents Auditor's Report

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has provided for managerial remuneration in accordance with the requisite approvals mandated by provision of section 197 read with schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. 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 section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in financial statements as required by the applicable Accounting Standards.
14. 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 debenture during the year.
15. 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 transaction with Director or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B. N. AGRAWAL & CO.**
Chartered Accountants
Firm Reg. No. 320312E

S. K. Agarwal
Partner

Membership No. 068141
UDIN: 21068141AAAAEP9480

Place : Kolkata
Date : June 25, 2021

ANNEXURE B to the Independents Auditor's Report

(Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013.)('The Act')

We have audited the Internal Financial Controls over financial reporting of **K I C Metaliks Limited** ("the company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's responsibility for internal financial controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institution of Chartered Accountants of India (ICAI). These responsibilities includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on internal financial controls over financial Reporting (the 'Guidance Note') and the Standard of Auditing, issued by ICAI and deemed to be prescribe under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by ICAI. Those standard and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtained audit evidence about the adequacy of the internal financial controls system over the financial reporting and there operating effectiveness. Our audit of the internal financial controls system over the financial reporting includes obtaining an understanding of internal financial controls system over the financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on Auditor's judgment, including the assessment of the risk of material misstatement of financial statement, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have material effect on the financial statements.

ANNEXURE B to the Independents Auditor's Report

Inherent Limitation of Internal Financial Controls over financial reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operate effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institution of Chartered Accountants of India.

For **B. N. AGRAWAL & CO.**
Chartered Accountants
Firm Reg. No. 320312E

S. K. Agarwal
Partner

Membership No. 068141
UDIN: 21068141AAAAEP9480

Place : Kolkata
Date : June 25, 2021

STANDALONE BALANCE SHEET as at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	18,760.43	10,407.77
Capital work-in-progress	3	96.19	8,755.52
Right-of-use assets	4	106.81	110.55
Financial assets			
-Investment	5	5.00	5.00
Other non-current assets	6	66.22	38.29
Total non-current assets		19,034.65	19,317.13
Current assets			
Inventories	7	10,412.85	13,733.05
Financial assets			
(i) Trade receivables	8	817.15	790.79
(ii) Cash and cash equivalents	9	1,076.92	462.21
(iii) Bank balances other than (ii) above	10	46.13	207.48
(iv) Others financial assets	11	86.66	48.86
Other current assets	12	10,074.75	5,417.89
Total current assets		22,514.46	20,660.28
TOTAL ASSETS		41,549.11	39,977.41
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	709.92	709.92
Other equity	14	11,355.85	10,302.41
Total equity		12,065.77	11,012.33
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	6,287.50	7,164.33
Provisions	16	182.50	175.81
Deferred tax liabilities (Net)	31	1,566.89	1,444.85
Total non-current liabilities		8,036.89	8,784.99
Current liabilities			
Financial liabilities			
(i) Borrowings	17	4,888.19	3,452.94
(ii) Trade payables	18	6,049.56	11,843.73
(iii) Other financial liabilities	19	2,172.33	785.45
Others current liabilities	20	6,356.94	2,420.68
Provisions	21	1,979.43	1,677.29
Total current liabilities		21,446.45	20,180.09
TOTAL EQUITY AND LIABILITIES		41,549.11	39,977.41

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
REVENUE			
Revenue from operations	22	55,062.01	49,606.77
Other income	23	656.45	538.27
Total income		55,718.46	50,145.04
EXPENSES			
Cost of materials consumed	24	44,434.17	30,303.39
Purchase of stock-in-trade	25	3,201.80	11,890.15
Changes in inventories of finished goods, stock in trade and work in progress	26	84.18	220.93
Employee benefit expenses	27	1,629.72	1,572.17
Finance costs	28	1,030.73	925.22
Depreciation and amortization expenses	29	893.97	754.85
Other expenses	30	2,976.66	2,921.15
Total expenses		54,251.23	48,587.86
Profit before tax		1,467.23	1,557.18
Tax expense			
(1) Current tax	31	302.14	560.41
(2) Deferred tax	31	118.41	171.53
Total tax expenses		420.55	731.94
Profit after tax for the year		1,046.68	825.24
Other comprehensive income			
Item that will not be reclassified to profit & loss:			
Remeasurement of retirement benefits plan		10.39	(12.07)
Income tax affect relating to above		(3.63)	4.22
Other comprehensive income, net of tax		6.76	(7.85)
Total comprehensive income for the year		1,053.44	817.39
Earnings per equity shares of par value of ₹ 2/- each			
-Basic (In ₹)	32	2.95	2.32
-Diluted (In ₹)	32	2.95	2.32

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. BenganiDirector (Finance) and CFO
(DIN: 08892916)

For and on behalf of the Board of Directors

R. S. JalanChairman and Managing Director
(DIN: 00578800)**R. Fogla**Company Secretary
(ACS : 23339)**M. Poddar**Director
(DIN: 08158445)

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

(₹ in Lakhs)

(a) Equity share capital

Particulars	Amount
Balance as at 31.03.2019	709.92
Changes in equity share capital during the year	-
Balance as at 31.03.2020	709.92
Changes in equity share capital during the year	-
Balance as at 31.03.2021	709.92

(b) Other equity**For the year ended March 31, 2021:**

Particulars	Equity component of compound financial instruments	Reserves and surplus			Total
		Capital redemption reserve	Securities premium	Retained earnings	
Balance as at 01.04.2020	1,230.15	300.00	1,973.88	6,798.38	10,302.41
Profit for the year	-	-	-	1,046.68	1,046.68
Other comprehensive income	-	-	-	6.76	6.76
Balance as at 31.03.2021	1,230.15	300.00	1,973.88	7,851.82	11,355.85

For the year ended March 31, 2020:

Particulars	Equity component of compound financial instruments	Reserves and surplus			Total
		Capital redemption reserve	Securities premium	Retained earnings	
Balance as at 01.04.2019	1,230.15	300.00	1,973.88	5,980.99	9,485.02
Profit for the year	-	-	-	825.24	825.24
Other comprehensive income	-	-	-	(7.85)	(7.85)
Balance as at 31.03.2020	1,230.15	300.00	1,973.88	6,798.38	10,302.41

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

STANDALONE CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	1,467.23	1,557.18
Adjustment for:		
Depreciation and amortization expense	893.97	754.85
Finance costs	1,030.73	925.22
Interest income	(479.40)	(483.28)
Sundry liabilities relating to earlier years written back	(32.89)	(40.71)
Impairment allowance for doubtful debts written back	(39.78)	39.72
Loss/(profit) on disposal of property, plant & equipment	2.11	-
Operating profit before working capital changes	2,841.97	2,752.98
Adjustments for:		
(Increase) / decrease in trade receivables	13.42	3,911.11
(Increase) / decrease in inventories	3,320.20	(5,392.10)
(Increase) / decrease in other current financial assets	123.55	249.40
(Increase) / decrease in other current assets	(4,656.86)	(398.17)
Increase / (decrease) in trade payables	(5,761.28)	(863.41)
Increase / (decrease) in current financial liabilities	1,386.88	767.75
Increase / (decrease) other current liabilities	3,936.26	427.98
Increase / (decrease) in provisions	319.22	12.56
Operating profit after working capital changes	1,523.36	1,468.10
Income tax paid	302.14	560.41
Net cash flow generated from operating activities	1,221.22	907.69
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant & equipment, including capital work-in-progress and capital advances	(613.60)	(1,630.30)
Interest income received	479.40	483.28
Investment in wholly owned subsidiary	-	(5.00)
Net cash flow (used in)/ generated from investing activities	(134.20)	(1,152.02)

STANDALONE CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/proceedings of short term borrowings	1,435.25	976.25
(Repayment)/proceedings of long term borrowings	(1,118.08)	122.40
Finance costs paid	(789.48)	(699.17)
Net cash flow used in financing activities	(472.31)	399.48
Net increase in cash and cash equivalents	614.71	155.15
Cash and cash equivalents - opening balance	462.21	307.06
Cash and cash equivalents - closing balance	1,076.92	462.21

Notes: Cash flow statement has been prepared under the indirect method as given in the Indian Accounting Standard (Ind AS 7) on the cash flow statement

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani

Director (Finance) and CFO

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R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. Corporate information

K I C Metaliks Limited (the Company) is a Public Limited Company and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE). The Company is primarily engaged in manufacturing and sale of Pig Iron. The Company presently has manufacturing facilities at Vill- Raturia, Angadpur, near the city of Durgapur, in the state of West Bengal, India and registered office at "Sir RNM House, 4th floor, Room No. 2, 3B, Lal Bazar street, Kolkata- 700 001.

2. Significant accounting policies and key estimates and judgements

2.1 Statement of compliance

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 to the extent applicable.

2.2 Basis of preparation of financial statements

The Company has adopted the issued Ind AS and such adoption was carried out in accordance with Ind AS.

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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received, to sell an asset or paid, to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 – Impairment of Assets.

New and amended standards adopted by the Company:

The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- Definition of material - amendments to Ind AS 1 and Ind AS 8
- Definition of business - amendments to Ind AS 103
- Covid-19 related concessions - amendments to Ind AS 116
- Interest rate benchmark reform - amendments to Ind AS109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly effect the current or future periods.

2.3 Use of estimates

In preparation of the financial statements, the Company makes judgements, 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.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.4 Summary of significant accounting policies

a. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Revenues are reduced for estimated rebates and other similar allowances.

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

Sale of goods

The Company recognises revenue when all the following criteria are satisfied:

- (i) significant risks and rewards of ownership has been transferred to the customer;
- (ii) there is no continuing management involvement with the goods usually associated with ownership, nor effective control over the goods sold has been retained;
- (iii) the amount of revenue can be measured reliably.
- (iv) revenue from sale of services are recognised at a time on which the performance is completed.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b. Expense Recognition

All expenses are recognised in the Statement of Profit and Loss on accrual basis as per the necessary terms of the contracts entered into with suppliers and service providers.

c. Taxes

Tax expense for the year comprises current and deferred tax

The tax currently payable is based on taxable profit for the year. 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 by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, 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 amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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 amount of its assets and liabilities.

A deferred tax asset arising from unused tax losses or tax credits are recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

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 other equity.

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 derecognised.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

e. Depreciation of property, plant and equipment

Depreciation is provided so as to write off, on a straight-line basis, at rates specified in the Schedule II of the Companies Act, 2013. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

The estimated useful life of the property, plant and equipment is given below:-

Asset group	Useful life (in years)
Factory building	30
Non-factory Building	60
Plant & equipment	20-40
Captive power plant	40
Electrical installation	10
Furniture & fixtures	10
Office equipment and vehicle	05
Computers	03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

f. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

g. Impairment

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-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 recognised in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount 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 as income in statement profit and loss immediately.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for intended use or sale.

All other borrowing costs are expensed in the period they occur. The borrowing cost is measured at amortised cost using the effective interest method.

i. Leases

The Company assesses whether a contract contains a lease, at inception of contract. A contract is/ or contains a lease if the contract conveys the right to control the use of unidentified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of identified assets the company assess:

- i) The contract involves the use of identified assets,

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- ii) The Company has substantially, all the economic benefits from the use of assets through the period of lease,
- iii) The Company has the right to direct the use of assets.

The Company recognises the lease (right of use) assets and corresponding lease liability for all lease arrangement except for the lease with a term of 12 months or less (short term lease) and low value leases.

The right of use assets are depreciated from the commencement date on a straight line basis over the lease term. The Company also assess the right of use assets for impairment when such indicators exists.

j. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost for the purpose of valuation of raw materials and stores and spares have been computed on weighted average method. Cost for the purpose of valuation of finished goods and work-in-progress has been computed taking into account cost of direct materials, direct labour costs and other overheads that have been incurred in bringing the inventories to their present location and condition. Waste and scrap have been valued at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale

k. Retirement and other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees' up to the reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. These are measured as per the provisions of Employees' Provident Fund Act, 1952 and Employees' State Insurance Act, 1948.

Expenses and liabilities in respect of employee benefit are recorded in accordance with Indian Accounting Standard (Ind AS 19 Employee Benefits). Post-employment benefits in the nature of defined benefit plans are recognised as expenses based on actuarial valuation carried by actuary at the Balance sheet date. Actuarial gain /loss, if any, arising from change in actuarial valuation are charged or credited to Other Comprehensive Income in the period in which they arise.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs 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 plan assets.

l. Foreign currency translations

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

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement/ translation is recognised in the statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

m. 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 to the gross carrying amount on initial recognition.

i) Financial assets

Financial assets other than Equity Instruments 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 these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

Equity Instruments

The Company has accounted for its investments in subsidiary at cost

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since the initial recognition, loss allowance equal to twelve months credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since the initial recognition.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

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.

Interest-bearing bank loans, overdrafts and issued debt 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.

Derecognition of financial liabilities

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

iii) Offsetting financial instruments

Financial assets and financial liabilities of the Company are offset and the net amount is included in the balance sheet, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

n. Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents is as defined above, net of cash credit. In the balance sheet, bank overdrafts or cash credit are shown within borrowings in current liabilities.

o. Cash flow statement

Cash flows are reported using the indirect method, where by profit before tax 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. The cash flows from operating, investing and financing activities of the Company are segregated.

p. Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

q. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Other government grants (grants related to income) are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

Grants related to income are presented under other income in the statement of profit and loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

r. Earnings per share

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

s. Provision and contingencies

A provision is recognised if as a result of past event the company has a present legal or constructive obligation that is reasonably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discontinuing the expected cash flow at a pre-tax rate that reflects current market assessments of the time value of the money and the risk specific to the liabilities. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Contingent liabilities, if material, are disclosed by way of notes to the accounts. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

Contingent assets are not recognised in the financial statements, as they are dependent on the outcome of legal or other processes.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

3. Property, plant and equipment

Particulars	As at 31.03.2021	As at 31.03.2020
Carrying Amounts of :		
Building and Shed - Factory	1,243.27	945.02
Building - Other	20.55	20.98
Plant and Equipments	17,224.31	9,179.84
Furniture and Fixtures	4.92	5.76
Vehicles	112.69	85.15
Office Equipments	3.20	3.43
Computers	5.56	4.08
Total (A)	18,614.50	10,244.26
Assets Given on Lease		
Building and Shed	90.51	98.28
Plant and Equipments	55.41	65.22
Furniture and Fixtures	0.01	0.01
Total (B)	145.93	163.51
Total (A+B)	18,760.43	10,407.77
Capital Work-in-Progress	96.19	8,755.52
Total	18,856.62	19,163.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

3. Property, plant and equipment

Particulars	Lease hold Land	Building and Shed - Factory	Building - Other	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Assets on lease			Total
									Building & Shed	Plant and Equipments	Furniture and Fixtures	
For the FY 2020-21												
Gross carrying amount												
As at 01.04.2020	-	1,148.13	22.70	11,961.55	9.48	148.15	8.21	18.69	110.56	0.01	13,556.84	
Additions	-	350.24	-	8,846.44	0.22	43.64	0.68	3.78	-	-	9,245.00	
Disposals	-	-	-	-	-	0.90	0.39	0.82	-	-	2.11	
As at 31.03.2021	-	1,498.37	22.70	20,807.99	9.70	190.89	8.50	21.65	110.56	0.01	22,799.73	
Accumulated depreciation												
As at 01.04.2020	-	203.11	1.72	2,781.71	3.72	63.00	4.78	14.61	45.34	-	3,149.07	
Charge for the year	-	51.99	0.43	801.97	1.06	15.20	0.52	1.48	7.77	9.81	890.23	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
As at 31.03.2021	-	255.10	2.15	3,583.68	4.78	78.20	5.30	16.09	55.15	-	4,039.30	
Net carrying amount as at 31.03.2021	-	1,243.27	20.55	17,224.31	4.92	112.69	3.20	5.56	55.41	0.01	18,760.43	
For the FY 2019-20												
Gross carrying amount												
As at 01.04.2019	125.53	1,148.13	22.70	11,961.55	7.58	119.88	6.90	18.07	110.56	0.01	13,650.27	
Additions	-	-	-	-	1.90	28.27	1.31	0.62	-	-	32.10	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Reclassification to Right of use Assets as per Ind AS 116	(125.53)	-	-	-	-	-	-	-	-	-	(125.53)	
As at 31.03.2020	-	1,148.13	22.70	11,961.55	9.48	148.15	8.21	18.69	110.56	0.01	13,556.84	
Accumulated depreciation												
As at 01.04.2019	11.23	152.33	1.29	2,114.37	2.76	49.58	4.47	14.53	35.33	-	2,409.20	
Charge for the year	-	50.78	0.43	667.34	0.96	13.42	0.31	0.08	7.77	10.01	751.10	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Reclassification to Right of use Assets as per Ind AS 116	(11.23)	-	-	-	-	-	-	-	-	-	(11.23)	
As at 31.03.2020	-	203.11	1.72	2,781.71	3.72	63.00	4.78	14.61	45.34	-	3,149.07	
Net carrying amount as at 31.03.2020	-	945.02	20.98	9,179.84	5.76	85.15	3.43	4.08	65.22	0.01	10,407.77	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

- 3.1 Property, plant and equipment includes assets pledged as security to bank for working capital loan (Refer note no 17.1).
- 3.2 Refer Note No 33.1 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.
- 3.3 The Capital WIP amount to ₹ 96.19/- Lakhs (Previous year ₹ 8,755.52/- Lakhs).
- 3.4 Amount of borrowing costs capitalised during the year ₹ 322.11/- Lakhs (Previous year ₹ 462.57/- Lakhs).
- 3.5 Details of pre-operative expenditure as a part of Capital-work-in-progress:

Particulars	31.03.2021	31.03.2020
Power and fuel	-	28.57
Employee benefits expenses	-	59.08
Finance cost and other borrowing cost	-	462.57
Others	66.19	166.75
Pre-operative expenses for the year	66.19	716.97
Add Pre-operative expenses upto previous year	-	766.55
Total pre-operative expenses	66.19	1,483.52

4. Right-of-use assets

Particulars	Leasehold Land As at 31.03.2021	Leasehold Land As at 31.03.2020
Opening balance	110.55	-
Reclassified on account of adoption of Ind AS 116	-	114.30
Additions	-	-
Deletion	-	-
Depreciation	3.74	3.75
Closing balance	106.81	110.55

5. Financial assets

Investments (non current)

Investment in equity instruments in 100 % Subsidiary Company (unquoted) (valued at cost)

Name of the Company	As at 31.03.2021	As at 31.03.2020
KIC Minerals Private Limited, 50,000 (Previous year- 50,000) equity shares of ₹ 10 each, fully paid up	5.00	5.00

6. Other non-current assets

Particulars	As at 31.03.2021	As at 31.03.2020
Capital advances	66.22	38.29
Total	66.22	38.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

7. Inventories

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Raw materials	9,731.97	12,985.35
(ii) Finished goods	305.74	389.92
(iii) Stores and spares	375.14	357.78
Total	10,412.85	13,733.05
Included above, goods in transit		
(i) Raw materials	161.72	68.25
[Basis of valuation refer Note-2.4 (J)]	161.72	68.25

7.1 For Inventories hypothecation as security to bank for working capital loan (refer note no. 17.1).

8. Trade receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured		
Considered good	817.15	790.79
Considered doubtful	2.18	41.96
Less: Impairment allowance for doubtful debts (expected credit loss allowance)	(2.18)	(41.96)
Total	817.15	790.79

8.1 Trade receivables are further analysed as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	Gross credit risk	Gross credit risk
Amounts not yet due	623.75	17.54
One month overdue	195.58	98.46
Two months overdue	-	83.03
Three months overdue	-	-
Between three to six months overdue	-	-
Greater than six months overdue	-	633.72
Less: Impairment Provision	(2.18)	(41.96)
Net credit risk	817.15	790.79

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

8.2 Movement of impairment allowance for doubtful debts (Expected credit loss allowance)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the period	41.96	2.24
Movement in expected credit loss allowance on trade receivables (calculated at lifetime expected credit losses)	(39.78)	39.72
Balance at the end of the period	2.18	41.96

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

9. Cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Cash in hand	2.21	1.37
Balances with banks		
-In current accounts	19.04	85.08
-In deposit account (maturing within 3 months)	1,055.67	375.76
Total	1,076.92	462.21

9.1 Balance in fixed deposits is pledged with bank as margin money for letter of credit/bank guarantee.

10. Bank balances other than cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
In deposits account (maturing above 3 months)	46.13	207.48
Total	46.13	207.48

10.1 Balance in fixed deposits is pledged with bank as margin money for letter of credit/bank guarantee.

11. Other financial assets

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good		
Security deposits	86.66	48.86
Total	86.66	48.86

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

12. Other current assets

Particulars	As at 31.03.2021	As at 31.03.2020
Balance with government authorities	1,835.05	1,284.78
Prepaid expenses	13.94	18.59
Advances to suppliers (against supply of goods or services)	8,225.76	4,114.52
Total	10,074.75	5,417.89

13. Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised:		
Equity share capital		
12,50,00,000 equity shares of ₹ 2/- each	2,500.00	2,500.00
(31.03.2020: 12,50,00,000 equity shares of ₹ 2/- each)		
Preference share capital		
7,50,00,000 preference shares of ₹ 10/- each	7,500.00	7,500.00
(31.03.2020: 7,50,00,000 preference shares of ₹ 10/- each)		
Total	10,000.00	10,000.00
Issued, subscribed and fully paid-up		
3,54,96,000 equity shares of ₹ 2/- each	709.92	709.92
(31.03.2020: 3,54,96,000 equity shares of ₹ 2/- each)		

13.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Opening balance	3,54,96,000	709.92	3,54,96,000	709.92
Increase in number of shares	-	-	-	-
Closing balance	3,54,96,000	709.92	3,54,96,000	709.92

13.2 Shares held by holding Company

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Equity shares				
Karni Syntex Pvt. Ltd	2,16,47,964	60.99	2,06,85,480	58.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

13.3 List of Shareholder holding more than 5 % Shares in the Company:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of shares of ₹ 2/- each	(%)	No. of shares of ₹ 2/- each	(%)
Equity shares				
i) Karni Syntex Pvt. Ltd	2,16,47,964	60.99	2,06,85,480	58.28
ii) Flamingo Overseas Pvt. Ltd.	30,00,000	8.45	30,00,000	8.45

13.4 Rights, preferences and restrictions attached to shares

The equity shares of the Company have par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. All these equity shares have same right with respect to payment of dividend, repayment of capital and voting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of preferential amounts, in proportion to their shareholding.

14. Other equity

Particulars	As at 31.03.2021	As at 31.03.2020
Equity component of compound financial instruments	1,230.15	1,230.15
Capital redemption reserve	300.00	300.00
Securities premium	1,973.88	1,973.88
Retained earnings	7,851.82	6,798.38
Total	11,355.85	10,302.41

14.1 Equity component of compound financial instruments (7 % redeemable non-cumulative preference shares)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	1,230.15	1,230.15
Add: Addition during the year	-	-
Balance at the end of the year	1,230.15	1,230.15

14.2 Capital redemption reserve

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	300.00	300.00
Add: Addition during the year	-	-
Balance at the end of the year	300.00	300.00

14.2.1 Capital redemption reserve represents the reserve created against the redemption of 8 % redeemable cumulative preference shares of ₹ 10/- each, during the FY 2005-06. It is a statutory, non-distributable reserve into which amounts are transferred following the redemption of shares as per the relevant provisions of the Companies Act prevailing at that time.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

14.3 Securities premium

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	1,973.88	1,973.88
Add: Addition during the year	-	-
Balance at the end of the year	1,973.88	1,973.88

14.3.1 Securities premium represents the amount received in excess of par value of securities. These will be utilised in accordance with the provisions of the Companies Act 2013.

14.4 Retained earnings

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	6,798.38	5,980.99
Profit after tax for the year	1,046.68	825.24
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	6.76	(7.85)
Balance at the end of the year	7,851.82	6,798.38

14.4.1 Retained earnings represents the undistributed profits of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined on the basis of the balance of the retained earnings of the financial statements after considering the requirements of the Companies Act, 2013.

15. Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Secured		
Term loan	504.44	1,650.00
Vehicle loans	45.37	17.89
Total secured borrowings	549.81	1,667.89
Unsecured		
7% Redeemable non-cumulative preference shares of Rs 10 each fully paid up	3,687.69	3,446.44
Other loans (inter corporate deposits)	2,050.00	2,050.00
Total unsecured borrowings	5,737.69	5,496.44
Total	6,287.50	7,164.33

15.1 Term loan carries an interest at 1 % (spread) over and above 1year MCLR p.a. subject to cap of 9.25 % p.a. The term loan from bank is secured by subservient charge on the entire current assets and movable fixed assets of the Company (both present and future), personal guarantee of Chairman and Managing Director and corporate guarantee of third party.

15.2 Vehicle loans are secured by hypothecation of vehicles purchased under the respective agreements. Interest rate varies from 8.80% to 10.01 % p.a, repayable in equated monthly instalment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

15.3 Redeemable non-cumulative preference shares of ₹ 10/- each carries a fixed dividend rate of 7 %. The preference shares are redeemable at par on completion of the 12th year, however at the discretion of the Company, same can be redeemed any time after 5 years from the date of issue. In case of liquidation, the preference shareholders will have preference over the equity shareholders over the distribution of remaining assets of the Company.

15.4 Other loans carries interest rate of 12 % to 13 % p.a, repayable after 5 years from the date of the loan.

16. Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Post-employment defined benefits		
-Retirement gratuity	152.33	147.15
Other employee benefits	30.17	28.66
Total	182.50	175.81

17. Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Secured		
Repayable on demand from banks		
-Cash credits	4,888.19	3,252.94
Unsecured		
Short term loan from corporate body	-	200.00
Total	4,888.19	3,452.94

17.1 The working capital loans from banks are secured by way of first charge on current assets of the Company comprising stock of raw materials, stock in process, finished goods, stores and book debts, both present and future and second charge on fixed assets of the Company and corporate guarantee of promoter Company and personal guarantee of the promoter director.

18. Trade payables

Particulars	As at 31.03.2021	As at 31.03.2020
Outstanding dues of micro enterprises and small enterprises	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises:		
-Creditors for supplies and services	6,049.56	11,843.73
Total	6,049.56	11,843.73

18.1 There are no micro, small and medium class enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2021. The above information regarding micro, small and medium class enterprises has been determined to the extent such parties have been identified on the basis of available information with the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

19. Other financial liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Current maturity of long term borrowing	1,858.38	650.00
Current maturities of vehicle loan	19.92	18.30
Interest payable on borrowings	294.03	117.15
Total	2,172.33	785.45

20. Other current liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory dues	910.35	765.00
Advance from customers	5,387.83	1,595.15
Payable to employees	58.76	60.53
Total	6,356.94	2,420.68

21. Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Provision for taxation	1,979.43	1,677.29
Total	1,979.43	1,677.29

22. Revenue from operations

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of goods:		
-Pig iron	48,864.39	36,306.03
-Coke and coal	3,459.30	12,159.95
-Others	2,356.48	835.24
Sale of services:		
-Job work income	381.84	305.55
Total	55,062.01	49,606.77

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

23. Other income

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest income	479.40	483.28
Lease rental	54.00	54.00
Sundry liabilities relating to earlier years written back	32.89	40.71
Impairment allowance for doubtful debts written back	39.78	(39.72)
Foreign exchange fluctuation gain	50.38	-
Total	656.45	538.27

24. Cost of materials consumed

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Raw materials consumed		
Opening stock	12,985.35	7,324.89
Add: Purchases	41,180.79	35,963.85
	54,166.14	43,288.74
Less: closing stock	9,731.97	12,985.35
Total Raw material consumed	44,434.17	30,303.39
Raw materials consumption comprises		
Iron ore	10,853.23	7,550.54
Coke and coal	31,250.70	20,988.02
Others	2,330.24	1,764.83
Total Raw material consumed	44,434.17	30,303.39

25. Purchase of stock-in-trade

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Coke and coal	2,599.80	11,888.53
Others	602.00	1.62
Total	3,201.80	11,890.15

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

26. Changes in inventories of finished goods

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Closing stock of finished goods	305.74	389.92
Opening stock of finished goods	389.92	610.85
(Increase)/decrease in inventory	84.18	220.93

27. Employee benefit expenses

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, wages , labour charges, bonus etc	1,499.47	1,439.93
Contribution to provident and other funds	109.99	114.60
Staff welfare expenses	20.26	17.64
Total	1,629.72	1,572.17

28. Finance cost

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest expense:		
-Interest on borrowings	709.26	532.78
-Interest on preference shares	241.25	226.05
-Interest on others	5.01	26.89
Other borrowing cost	75.21	139.50
Total	1,030.73	925.22

29. Depreciation and amortization expense

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation on property, plant and equipment as per note 3	890.23	751.10
Depreciation on right-of-use assets as per note 4	3.74	3.75
Total	893.97	754.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

30. Other expenses

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Consumption of stores and spares	1,048.08	994.61
Power and fuel	1,018.35	818.28
Rent	9.02	8.84
Repairs to machinery	244.80	136.30
Insurance	17.02	16.16
Rates and taxes	163.84	186.00
Carriage outwards	17.18	-
Commission on sales	28.44	31.12
Corporate social responsibility expenditure	29.78	4.32
Foreign exchange fluctuation loss	-	306.86
Loss on discard of fixed assets	2.11	-
Payment to auditor		
For Statutory audit	5.00	5.00
For Tax audit	1.00	1.00
For limited review and certification	2.20	1.75
Miscellaneous expenses	389.84	410.91
Total	2,976.66	2,921.15

31. Income tax expense

31.1 Income tax recognised in profit or loss

Particulars	As at 31.03.2021	As at 31.03.2020
a) Current tax expense		
Current year	302.14	560.41
b) Deferred tax expense		
Origination and reversal of temporary differences and mat credit entitlement	118.41	171.53
Total Income tax expense	420.55	731.94

31.2 Income tax recognised in OCI

Particulars	As at 31.03.2021	As at 31.03.2020
Remeasurements of defined benefit plans	(3.63)	4.22
Total income tax expense relating to OCI items	(3.63)	4.22

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

31.3 Deferred tax assets and liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Liabilities		
Difference between book and tax depreciation	2,457.33	1,986.66
Related to preference shares	281.64	365.95
Total deferred tax liabilities	2,738.97	2,352.61
Assets		
Provision for employee benefits	63.77	57.22
Allowance for doubtful debts	0.76	14.66
Mat credit entitlement	1,107.55	835.88
Total deferred tax assets	1,172.08	907.76
Net deferred tax assets/(liabilities)	1,566.89	1,444.85

31.4 Reconciliation of deferred tax liabilities (net)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening balance	1,444.85	1,277.54
Deferred tax expenses recognised in statement of profit and loss	118.41	171.53
Deferred tax recognised on other comprehensive income	3.63	(4.22)
Closing balance	1,566.89	1,444.85

Particulars	As at 31.03.2020	Charge/ (Credit) to the statement of profit and loss	As at 31.03.2021
Deferred tax liabilities			
Difference between book and tax depreciation	1,986.66	470.67	2,457.33
Preference shares	365.95	(84.31)	281.64
Total	2,352.61	386.36	2,738.97
Deferred tax assets			
Provision for employee benefits	57.22	6.55	63.77
Allowance for doubtful debts (excepted credit loss allowance)	14.66	(13.90)	0.76
Mat credit entitlement	835.88	271.67	1,107.55
Total	907.76	264.32	1,172.08
Deferred tax liabilities (net)	1,444.85	122.04	1,566.89

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

32. Earnings per share (EPS)

Computation of earning per share

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Face value of equity shares (in rupees)	₹ 2	₹ 2
Weighted average number of equity shares used for computing earning per share (basic & diluted) (in numbers)	3,54,96,000	3,54,96,000
Profit attributable to equity share holders (₹ in Lakhs)	1,046.68	825.24
Earning per share (basic and diluted) (in rupees)	2.95	2.32

33. Commitments and contingencies

33.1 Capital commitments

Particulars	As at 31.03.2021	As at 31.03.2020
Estimated value of contracts in capital account remaining to be executed (net of advances)	1,156.69	896.07

33.2.1 Contingent liabilities (To the extent not provided for and claim against Company not acknowledged as debts) Ind AS 37.

Particulars	As at 31.03.2021	As at 31.03.2020
Disputed liabilities		
Excise duty matters (Amount paid under protest ₹1.43 Lakhs, previous year ₹ 1.43 Lakhs)	14.34	14.34
Jharkhand entry tax matters (Amount paid under protest ₹ 81.75 Lakhs, previous Year ₹ 81.75 Lakhs)	81.75	81.75
Guarantees		
Bank guarantees	253.91	414.92

33.2.2 The Company has received demand from South Eastern Railway towards differential freight payment pertaining to the period F.Y. 2008-09 to F.Y. 2010-11 amounting to ₹ 603.91 Lakhs plus interest and penalty there on. The matter is subjudice with hono'rabable Calcutta High Court. The management are in view that there is a fair chance of quashing of demand and accordingly no provision has been made in the Accounts.

33.2.3 In the respect of the above matters, future cash flow are determinable on receipt of judgement/decision pending at various forums/authorities.

34. Segment reporting

The Company is predominantly engaged in a single reportable segment of Iron and Steel during the year. The risks and returns of manufacturing of pig iron and trading of its raw material are directly associated with Iron and Steel business and hence treated as single reportable business segment. The other activities for cement manufacturing is less than

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

10% of total revenue and hence there are no additional disclosures to be made other than those already provided in the financial statements. The Company is operating within India only and hence India is the only geographical segment.

35. Related party transactions

35.1 List of related parties and the nature of relationship:

Name of related party	Nature of relationship
Karni Syntex Pvt. Ltd	Holding Company
KIC Minerals Private Limited	100 % Subsidiary Company
Key managerial personnel	
-Mr. Radhey Shyam Jalan	Chairman and Managing Director
-Mrs. Manjula Poddar	Independent Director
-Mr. Rajarshi Ghosh	Independent Director
-Mr. Laxmi Narayan Sharma	Independent Director
-Mr. Suresh Kumar Singhal	Independent Director (Resigned)
-Mr. Kanhaiyalal Didwania	Non Executive and Non Independent Director
-Mr. Mukesh Bengani	Director (Finance) and Chief Financial Officer
-Mrs. Ruchika Fogla	Company Secretary

35.2 Transactions during the year

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
With 100% Subsidiary - KIC Minerals Private Limited		
50,000 equity shares of Rs 10 each, fully paid up	-	5.00
With Key managerial personnel		
-Director's remuneration	102.73	74.70
-Other KMP's remuneration	7.06	14.74
-Other benefits paid	0.70	0.55

36. Employee benefits

36.1 Defined contribution plans

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

Provident fund

In accordance with Indian law, eligible employees of K I C Metaliks Limited are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12 % of employees' salary). During the year, the Company has recognised ₹ 83.78 lakhs (2019-20: ₹ 86.47 lakhs) as contribution in the Statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Employees' state insurance

In accordance with Indian law, eligible employees of K I C Metaliks Limited are entitled to receive benefits in respect of employee's state insurance, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 4.75 % of employees' salary). During the year, the company has recognised ₹ 26.21 lakhs (2019-20: ₹ 28.13 lakhs) as contribution in the Statement of profit and loss.

36.2 Defined benefit plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company is exposed to interest risk, liquidity risk, salary escalation risk, demographic risk and regulatory risk.

- i. **Interest risk :** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- ii. **Liquidity risk :** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. **Salary Escalation risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- iv. **Demographic risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- v. **Regulatory risk :** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20 Lakhs).

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by Kushwant Pahwa, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at 31.03.2021	As at 31.03.2020
Discount rate(s)	6.60%	6.60%
Rate of increase in salaries	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	58 years	58 years
Attrition rate	2.00%	2.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:-

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current service cost	16.27	13.99
Net interest income/ (cost) on the net defined benefit liability (asset)	9.71	9.09
Components of defined benefit costs recognised in profit or loss	25.98	23.08
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.07)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.79)	11.91
Actuarial (gains)/losses arising from experience variance (i.e. actual experience vs assumptions)	(6.60)	0.23
Components of defined benefit costs recognised in other comprehensive income	(10.39)	12.07
Total	15.59	35.15

The current service cost and the net interest expense for the year are included in the "Employee benefits expense" line item in the statement of profit and loss.

The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
Present value of funded defined benefit obligation	152.33	147.15
Fair value of plan assets	-	-
Funded status [Surplus/(deficit)]	(152.33)	(147.15)
Unrecognised past service costs	-	-
Net asset/ (liability) arising from defined benefit obligation	(152.33)	(147.15)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

Movements in the present value of the defined benefit obligations are as follows:

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Opening defined benefit obligations	147.15	119.60
Current service cost	16.27	13.99
Interest cost	9.71	9.09
Remeasurement (gains)/losses:		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.07)
Actuarial (gains)/losses arising from changes in financial assumptions	(3.79)	11.91
Actuarial (gains)/losses arising from experience assumptions	(6.60)	0.23
Past service cost, including losses /(gains) on curtailment	-	-
Acquisition credit cost	-	-
Benefits paid	(10.41)	(7.60)
Closing defined benefit obligation	152.33	147.15

Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

Particulars	As at 31.03.2021	As at 31.03.2020
Discount rate		
+1.00% discount rate	140.77	135.25
- 1.00% discount rate	165.65	160.94
Salary escalation		
+ 1.00% salary escalation	166.13	161.38
- 1.00% salary escalation	140.16	134.68
Attrition rate		
+ 50% withdrawal rate	153.89	148.53
- 50% withdrawal rate	150.57	145.59
Mortality rate		
+ 10.0% mortality rate	152.62	147.41
- 10.0% mortality rate	152.03	146.89

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

The expected maturity analysis of undiscounted defined benefit obligation is as below:

Particulars	As at 31.03.2021	As at 31.03.2020
1st year	17.60	16.68
2 to 5 years	56.41	48.51
6 to 10 years	66.85	63.28
More than 10 years	166.07	169.68

Details of plan assets

The scheme is unfunded.

The average duration of the defined benefit plan obligation at the end of the reporting period is 9 years.

37. Financial instruments**37.1 Categories Of financial instruments**

Particulars	As at 31.03.2021	As at 31.03.2020
Financial assets		
(i) Measured at amortised cost		
(a) Trade receivables	817.15	790.79
(b) Cash and bank balances	1,123.05	669.69
(c) Other financial assets	86.66	48.86
(ii) Measured at cost		
(a) Investment in Subsidiary Company	5.00	5.00
Sub-total	2,031.86	1,514.34
Financial liabilities		
Measured at amortised cost		
(a) Borrowings	11,175.69	10,617.27
(b) Trade payables	6,049.56	11,843.73
(c) Other financial liabilities	2,172.33	785.45
Sub-total	19,397.58	23,246.45

37.2 Capital management

The Company's objectives when managing capital are to:-

- maximize the shareholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital; and
- ensure compliance with covenants related to its credit facilities.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in the financial markets so as to maintain and sustain future development of the business.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

The gearing ratio of the Company is as follows :-

Particulars	As at 31.03.2021	As at 31.03.2020
I) Equity share capital	709.92	709.92
II) Other equity	11,355.85	10,302.41
Total capital (a)	12,065.77	11,012.33
I) Short-term borrowings	4,888.19	3,452.94
II) Long term borrowings	6,287.50	7,164.33
III) Current maturity of long term debt	1,878.30	668.30
IV) Interest payable on other borrowings	294.03	117.15
Total debt (b)	13,348.02	11,402.72
Less : Cash and cash equivalents	1,076.92	462.21
Net debt (c)	12,271.10	10,940.51
Capital and net debt (a+c)	24,336.87	21,952.84
Gearing ratio	0.50	0.50

38. Financial risk management

The Company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities are to finance the Company's operations and to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets.	Ageing analysis	Follow-up of the debtors
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at fixed interest rates which are reset as per economic condition	Sensitivity analysis	Monitoring of interest rates. Interest rates are unhedged.
Foreign currency risk	Change in foreign currency Rate	Sensitivity analysis	Monitoring movement of foreign currency rate and hedging the exposure.

38.1 Risk management framework

Managing Director and Chief Financial Officer of the Company evaluates and manages the uncertainties in the Company. They conduct meetings at regular intervals involving other high level officers of the Company and provides updates to the Audit Committee/Board.

The management of financial risks by the Company is summarized below:-

38.1.1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

38.1.2 Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

38.1.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at March 31, 2021	Currency	Amount in FC (In \$)	Amount (in ₹)
Trade Payables	USD	53.77	3,952.28

Unhedged Foreign currency exposure as at March 31, 2020	Currency	Amount in FC (In \$)	Amount (in ₹)
Trade Payables	USD	59.47	4,482.94

Foreign currency sensitivity

2 % increase or decrease in foreign exchange rates will have the following impact on profit before tax:-

Particulars	2020-21		2019-20	
	2 % Increase - Loss	2 % Decrease - Profit	2 % Increase - Loss	2 % Decrease - Profit
USD	(79.05)	79.05	(89.66)	89.66
Increase / (Decrease) in profit before tax	(79.05)	79.05	(89.66)	89.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(₹ in Lakhs)

ii) 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 manages its interest risk exposure relating to the financial instrument classified at amortised cost by using the market interest rate as the effective interest rate and the changes in the assets liabilities is accounted for as interest income/expenses with respect to financial assets/financial liabilities respectively. The Company however has only fixed interest rate term loan.

As there is no primary exposure to the interest rate risk the sensitivity analysis has not been performed by the Company.

39. Corporate Social Responsibility Expense

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Gross amount required to be spent as per section 135 of the Act	58.17	49.63
Amount spent during the year on:		
(i) Construction /acquisition of any asset	-	-
(ii) On purposes other than (i) above	29.78	4.32
Total	29.78	4.32

As on March 31, 2021 the Company needs to transfer ₹ 80.29 Lakhs to unspent CSR Account as per Section 135(6) of the Companies Act, 2013. On April 19, 2021 the Company transferred ₹ 10 Lakhs from this amount to an ongoing project, consequent to which ₹ 70.29 Lakhs was transferred to the unspent CSR Account on April 30, 2021.

40. The impact of the Government imposed nation-wide lock down due to the covid-19 pandemic was partial and temporary as requisite permissions were obtained by the Company in May, 2020 to resume its manufacturing operations which were suspended from March 24, 2020 to May 4, 2020. In light of the aforesaid pandemic, inter alia considering the internal and external factors, the Company has assessed the carrying amount of property, plant and equipment, receivables, inventories, investments and other assets as at March 31, 2021, the current liquidity position including its cash flows, the business outlook and has concluded that no material adjustments are required in these financial results.

41. Previous year's figure have been re-grouped/re-classified wherever necessary.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

CONSOLIDATED

Financial Statements

INDEPENDENT Auditor's Report

To the Members of M/s. K I C Metaliks Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **M/s. K I C Metaliks Limited** (hereinafter referred to as the 'Holding Company') and its wholly owned subsidiary (together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and 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 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 their consolidated state of affairs of the Group as at March 31, 2021, of its consolidated profit and other comprehensive profit, consolidated changes in equity and its 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirement that are relevant to our audit of the consolidated financial statements in term of the Code of Ethics issued by ICAI, 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 along with the consideration of audit report of the other auditors referred to in sub paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The Other information comprises the information included the consolidated financial statements and our auditors report thereon.

Our opinion on the consolidated financial statement 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.

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

The Holding 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 cash flows of the Group 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 companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and

INDEPENDENT Auditor's Report

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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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.

INDEPENDENT Auditor's Report

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 change in equity and the Consolidated Cash Flow Statement 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 Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary Companies.

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Reg. No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

UDIN: 21068141AAAAEQ8677

Place : Kolkata

Date : June 25, 2021

ANNEXURE to the Independents Auditor's Report

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 ("the Act")

(Referred to in paragraph (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 the M/s. K I C Metaliks Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Group under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such Company incorporated in India which are its subsidiary Company, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such Companies 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 respective Holding 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 respective 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (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 auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary Companies and joint venture in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls with reference to consolidated financial statements.

ANNEXURE to the Independents Auditor's Report

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 consolidated 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 the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to its wholly owned subsidiary, and to whom internal control over financial statements is applicable, is based on the corresponding report of the auditors of such Companies incorporated in India.

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Reg. No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

UDIN: 21068141AAAAEQ8677

Place : Kolkata

Date : June 25, 2021

CONSOLIDATED BALANCE SHEET as at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	18,760.43	10,407.77
Capital work-in-progress	4	96.19	8,755.52
Right-of-use assets	5	106.81	110.55
Other non-current assets	6	66.22	38.29
Total non-current assets		19,029.65	19,312.13
Current assets			
Inventories	7	10,412.85	13,733.05
Financial assets			
(i) Trade receivables	8	817.15	790.79
(ii) Cash and cash equivalents	9	1,077.59	464.94
(iii) Bank balances other than (ii) above	10	48.13	207.48
(iv) Others financial assets	11	86.66	48.86
Other current assets	12	10,074.75	5,417.89
Total current assets		22,517.13	20,663.01
TOTAL ASSETS		41,546.78	39,975.14
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	709.92	709.92
Other equity	14	11,353.29	10,300.03
Total equity		12,063.21	11,009.95
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	6,287.50	7,164.33
Provisions	16	182.50	175.81
Deferred tax liabilities (Net)	31	1,566.89	1,444.85
Total non-current liabilities		8,036.89	8,784.99
Current liabilities			
Financial liabilities			
(i) Borrowings	17	4,888.19	3,452.94
(ii) Trade payables	18	6,049.79	11,843.84
(iii) Other financial liabilities	19	2,172.33	785.45
Others current liabilities	20	6,356.94	2,420.68
Provisions	21	1,979.43	1,677.29
Total current liabilities		21,446.68	20,180.20
TOTAL EQUITY AND LIABILITIES		41,546.78	39,975.14

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani
Director (Finance) and CFO
(DIN: 08892916)

R. Fogla
Company Secretary
(ACS : 23339)

M. Poddar
Director
(DIN: 08158445)

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director
(DIN: 00578800)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
REVENUE			
Revenue from operations	22	55,062.01	49,606.77
Other income	23	656.45	538.27
Total Income		55,718.46	50,145.04
EXPENSES			
Cost of materials consumed	24	44,434.17	30,303.39
Purchase of stock-in-trade	25	3,201.80	11,890.15
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	84.18	220.93
Employee benefit expenses	27	1,629.72	1,572.17
Finance costs	28	1,030.78	925.22
Depreciation and amortization expenses	29	893.97	754.85
Other expenses	30	2,976.79	2,923.53
Total expenses		54,251.41	48,590.24
Profit before tax		1,467.05	1,554.80
Tax expense			
(1) Current tax	31	302.14	560.41
(2) Deferred tax	31	118.41	171.53
Total tax expenses		420.55	731.94
Profit after tax for the year		1,046.50	822.86
Other comprehensive income			
Item that will not be reclassified to profit & loss:			
Remeasurement of retirement benefits plan		10.39	(12.07)
Income tax affect relating to above		(3.63)	4.22
Other comprehensive income, net of tax		6.76	(7.85)
Total comprehensive income for the year		1,053.26	815.01
Earnings per equity shares of par value of ₹ 2/- each			
-Basic (In ₹)	32	2.95	2.32
-Diluted (In ₹)	32	2.95	2.32

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. BenganiDirector (Finance) and CFO
(DIN: 08892916)

For and on behalf of the Board of Directors

R. S. JalanChairman and Managing Director
(DIN: 00578800)**R. Fogla**Company Secretary
(ACS : 23339)**M. Poddar**Director
(DIN: 08158445)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

(₹ in Lakhs)

(a) Equity share capital

Particulars	Amount
Balance as at 31.03.2019	709.92
Changes in equity share capital during the year	-
Balance as at 31.03.2020	709.92
Changes in equity share capital during the year	-
Balance as at 31.03.2021	709.92

(b) Other equity**For the year ended March 31, 2021:**

Particulars	Equity component of compound financial instruments	Reserves and surplus			Total
		Capital redemption reserve	Securities premium	Retained earnings	
Balance as at 01.04.2020	1,230.15	300.00	1,973.88	6,796.00	10,300.03
Profit for the year	-	-	-	1,046.50	1,046.50
Other comprehensive income	-	-	-	6.76	6.76
Balance as at 31.03.2021	1,230.15	300.00	1,973.88	7,849.26	11,353.29

For the year ended March 31, 2020:

Particulars	Equity component of compound financial instruments	Reserves and surplus			Total
		Capital redemption reserve	Securities premium	Retained earnings	
Balance as at 01.04.2019	1,230.15	300.00	1,973.88	5,980.99	9,485.02
Profit for the year	-	-	-	822.86	822.86
Other comprehensive income	-	-	-	(7.85)	(7.85)
Balance as at 31.03.2020	1,230.15	300.00	1,973.88	6,796.00	10,300.03

See accompanying notes to the financial statements.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	1,467.05	1,554.80
Adjustment for:		
Depreciation and amortization expense	893.97	754.85
Finance costs	1,030.78	925.22
Interest income	(479.40)	(483.28)
Sundry liabilities relating to earlier years written back	(32.89)	(40.71)
Impairment allowance for doubtful debts written back	(39.78)	39.72
Loss/(profit) on disposal of property, plant and equipment	2.11	-
Operating profit before working capital changes	2,841.84	2,750.60
Adjustments for:		
(Increase) / decrease in trade receivables	13.42	3,911.11
(Increase) / decrease in inventories	3,320.20	(5,392.10)
(Increase) / decrease in other current financial assets	121.55	249.40
(Increase) / decrease in other current assets	(4,656.86)	(398.17)
Increase / (decrease) in trade payables	(5,761.16)	(863.30)
Increase / (decrease) in current financial liabilities	1,386.88	767.75
Increase / (decrease) other current liabilities	3,936.26	427.98
Increase / (decrease) in provisions	319.22	12.56
Operating profit after working capital changes	1,521.35	1,465.83
Income tax paid	302.14	560.41
Net cash flow generated from operating activities	1,219.21	905.42
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment, including capital work-in-progress and capital advances	(613.60)	(1,630.30)
Interest income received	479.40	483.28
Net cash flow (used in)/ generated from investing activities	(134.20)	(1,147.02)

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment)/proceedings of short term borrowings	1,435.25	976.25
(Repayment)/proceedings of long term borrowings	(1,118.08)	122.40
Finance costs paid	(789.53)	(699.17)
Net cash flow used in financing activities	(472.36)	399.48
Net increase in cash and cash equivalents	612.65	157.88
Cash and cash equivalents - opening balance	464.94	307.06
Cash and cash equivalents - closing balance	1,077.59	464.94

Notes: Cash flow statement has been prepared under the indirect method as given in the Indian Accounting Standard (Ind AS 7) on the cash flow statement.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

K I C Metaliks Limited (the Holding Company) is a Public Limited Company and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE).

2. Principles of Consolidation:

These Consolidated financial statements related to K I C Metaliks Limited (the Holding Company) and its subsidiary Company M/s. KIC Minerals Private Limited. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the holding Company and its subsidiary Company have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions.
- b) The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the Company i.e March 31, 2021.
- c) The Subsidiary considered in the preparation of consolidated financial statement :

<u>Name of the Subsidiary</u>	: <u>KIC Minerals Private Limited</u>
<u>Country of Incorporation</u>	: <u>India</u>
<u>Percentage of Ownership Interest</u>	: <u>100%</u>

3. Significant accounting policies and key estimates and judgements

3.1 Statement of compliance

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 and other provisions of the Companies Act, 2013 to the extent applicable.

3.2 Basis of preparation of financial statements

The group has adopted the issued Ind AS and such adoption was carried out in accordance with Ind AS.

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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

New and amended standards adopted by the group :

The group has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020 :

- Definition of material - amendments to Ind AS 1 and Ind AS 8
- Definition of business - amendments to Ind AS 103
- Covid-19 related concessions - amendments to Ind AS 116
- Interest rate benchmark reform - amendments to Ind AS109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly effect the current or future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.3 Use of estimates

In preparation of the financial statements, the group makes judgements, 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.

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

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

3.4 Summary of significant accounting policies

a. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Revenues are reduced for estimated rebates and other similar allowances.

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

Sale of goods

The group recognises revenue when all the following criteria are satisfied:

- (i) significant risks and rewards of ownership has been transferred to the customer;
- (ii) there is no continuing management involvement with the goods usually associated with ownership, nor effective control over the goods sold has been retained;
- (iii) the amount of revenue can be measured reliably.
- (iv) revenue from sale of services are recognised at a time on which the performance is completed.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b. Expense Recognition

All expenses are recognised in the Statement of Profit and Loss on accrual basis as per the necessary terms of the contracts entered into with suppliers and service providers.

c. Taxes

Tax expense for the year comprises current and deferred tax

The tax currently payable is based on taxable profit for the year. 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 group's liability for current tax is calculated using tax rates and tax laws that have been enacted by the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, 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 amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 group expects, at the end of the reporting period, to cover or settle the carrying amount of its assets and liabilities.

A deferred tax asset arising from unused tax losses or tax credits are recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

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 other equity.

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 group 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 derecognised.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

e. Depreciation of property, plant and equipment

Depreciation is provided so as to write off, on a straight-line basis, at rates specified in the Schedule II of the Companies Act, 2013. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The estimated useful life of the property, plant and equipment is given below:-

Asset group	Useful life (in years)
Factory building	30
Non-factory Building	60
Plant & equipment	20-40
Captive power plant	40
Electrical installation	10
Furniture & fixtures	10
Office equipment and vehicle	05
Computers	03

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

f. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

g. Impairment

At each balance sheet date, the group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount 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 group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-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 recognised in the statement of profit and loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount 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 as income in statement profit and loss immediately.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for intended use or sale.

All other borrowing costs are expensed in the period they occur. The borrowing cost is measured at amortised cost using the effective interest method.

i. Leases

The Company assesses whether a contract contains a lease, at inception of contract. A contract is/ or contains a lease if the contract conveys the right to control the use of unidentified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of identified assets the company assess:

- i) The contract involves the use of identified assets,
- ii) The Company has substantially, all the economic benefits from the use of assets through the period of lease,
- iii) The Company has the right to direct the use of assets.

The Company recognises the lease (right of use) assets and corresponding lease liability for all lease arrangement except for the lease with a term of 12 months or less (short term lease) and low value leases.

The right of use assets are depreciated from the commencement date on a straight line basis over the lease term. The Company also assess the right of use assets for impairment when such indicators exists.

j. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost for the purpose of valuation of raw materials and stores and spares have been computed on weighted average method. Cost for the purpose of valuation of finished goods and work-in-progress has been computed taking into account cost of direct materials, direct labour costs and other overheads that have been incurred in bringing the inventories to their present location and condition. Waste and scrap have been valued at net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

k. Retirement and other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees' up to the reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. These are measured as per the provisions of Employees' Provident Fund Act, 1952 and Employees' State Insurance Act, 1948.

Expenses and liabilities in respect of employee benefit are recorded in accordance with Indian Accounting Standard (Ind AS 19 Employee Benefits). Post-employment benefits in the nature of defined benefit plans are recognised as expenses based on actuarial valuation carried by actuary at the Balance sheet date. Actuarial gain /loss, if any, arising from change in actuarial valuation are charged or credited to Other Comprehensive Income in the period in which they arise.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value plan assets.

i. Foreign currency translations

The financial statements of the group are presented in Indian rupees (INR), which is the functional currency of the group and the presentation currency for the financial statements.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Transactions remaining unsettled are translated at the exchange rate prevailing at the end of the financial year. Exchange gain or loss arising on settlement/ translation is recognised in the statement of profit and loss.

m. Financial instruments

Financial assets and financial liabilities are recognised when the group 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 to the gross carrying amount on initial recognition.

i) Financial assets

Financial assets other than on Equity Instrument 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 these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

Impairment of financial assets

The group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since the initial recognition, loss allowance equal to twelve months credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since the initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Derecognition of financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group 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 group 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 group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

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.

Interest-bearing bank loans, overdrafts and issued debt 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.

Derecognition of financial liabilities

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

iii) Offsetting financial instruments

Financial assets and financial liabilities of the group are offset and the net amount is included in the balance sheet, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

n. Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents is as defined above, net of cash credit. In the balance sheet, bank overdrafts or cash credit are shown within borrowings in current liabilities.

o. Cash flow statement

Cash flows are reported using the indirect method, where by profit before tax 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. The cash flows from operating, investing and financing activities of the group are segregated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

p. Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

q. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Other government grants (grants related to income) are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

Grants related to income are presented under other income in the statement of profit and loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

r. Earnings per share

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

s. Provision and contingencies

A provision is recognised if as a result of past event the group has a present legal or constructive obligation that is reasonably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discontinuing the expected cash flow at a pre-tax rate that reflects current market assessments of the time value of the money and the risk specific to the liabilities. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Contingent liabilities, if material, are disclosed by way of notes to the accounts. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

Contingent assets are not recognised in the financial statements, as they are dependent on the outcome of legal or other processes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

3. Property, plant and equipment

Particulars	As at 31.03.2021	As at 31.03.2020
Carrying Amounts of :		
Building and Shed - Factory	1,243.27	945.02
Building - Other	20.55	20.98
Plant and Equipments	17,224.31	9,179.84
Furniture and Fixtures	4.92	5.76
Vehicles	112.69	85.15
Office Equipments	3.20	3.43
Computers	5.56	4.08
Total (A)	18,614.50	10,244.26
Assets Given on Lease		
Building and Shed	90.51	98.28
Plant and Equipments	55.41	65.22
Furniture and Fixtures	0.01	0.01
Total (B)	145.93	163.51
Total (A+B)	18,760.43	10,407.77
Capital Work-in-Progress	96.19	8,755.52
Total	18,856.62	19,163.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

3. Property, plant and equipment

Particulars	Lease hold Land	Building and Shed - Factory	Building - Other	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Assets on lease			Total
									Building & Shed	Plant and Equipments	Furniture and Fixtures	
For the F.Y 2020-21												
Gross carrying amount												
As at 01.04.2020	-	1,148.13	22.70	11,961.55	9.48	148.15	8.21	18.69	110.56	0.01	13,556.84	
Additions	-	350.24	-	8,846.44	0.22	43.64	0.68	3.78	-	-	9,245.00	
Disposals	-	-	-	-	-	0.90	0.39	0.82	-	-	2.11	
As at 31.03.2021	-	1,498.37	22.70	20,807.99	9.70	190.89	8.50	21.65	110.56	0.01	22,799.73	
Accumulated depreciation												
As at 01.04.2020	-	203.11	1.72	2,781.71	3.72	63.00	4.78	14.61	45.34	-	3,149.07	
Charge for the year	-	51.99	0.43	801.97	1.06	15.20	0.52	1.48	7.77	9.81	890.23	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
As at 31.03.2021	-	255.10	2.15	3,583.68	4.78	78.20	5.30	16.09	55.15	-	4,039.30	
Net carrying amount as at 31.03.2021	-	1,243.27	20.55	17,224.31	4.92	112.69	3.20	5.56	55.41	0.01	18,760.43	
For the F.Y 2019-20												
Gross carrying amount												
As at 01.04.2019	125.53	1,148.13	22.70	11,961.55	7.58	119.88	6.90	18.07	110.56	0.01	13,650.27	
Additions	-	-	-	-	1.90	28.27	1.31	0.62	-	-	32.10	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Reclassification to Right of use Assets as per Ind AS 116	(125.53)	-	-	-	-	-	-	-	-	-	(125.53)	
As at 31.03.2020	-	1,148.13	22.70	11,961.55	9.48	148.15	8.21	18.69	110.56	0.01	13,556.84	
Accumulated depreciation												
As at 01.04.2019	11.23	152.33	1.29	2,114.37	2.76	49.58	4.47	14.53	35.33	-	2,409.20	
Charge for the year	-	50.78	0.43	667.34	0.96	13.42	0.31	0.08	7.77	10.01	751.10	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Reclassification to Right of use Assets as per Ind AS 116	(11.23)	-	-	-	-	-	-	-	-	-	(11.23)	
As at 31.03.2020	-	203.11	1.72	2,781.71	3.72	63.00	4.78	14.61	45.34	-	3,149.07	
Net carrying amount as at 31.03.2020	-	945.02	20.98	9,179.84	5.76	85.15	3.43	4.08	65.22	0.01	10,407.77	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

- 4.1 Property, plant and equipment includes assets pledged as security to bank for working capital loan (Refer note no 17.1)
- 4.2 Refer Note No 33.1 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.3 The Capital WIP amount to ₹ 96.19 Lakhs (Previous year ₹ 8,755.52 Lakhs).
- 4.4 Amount of borrowing costs capitalised during the year ₹ 322.11 Lakhs (Previous year ₹ 462.57 Lakhs).
- 4.5 Details of pre-operative expenditure as a part of Capital-work-in-progress:

Particulars	As at 31.03.2021	As at 31.03.2020
Power and fuel	-	28.57
Employee benefits expenses	-	59.08
Finance cost and other borrowing cost	-	462.57
Others	66.19	166.75
Pre-operative expenses for the year	66.19	716.97
Add pre-operative expenses upto previous year	-	766.55
Total pre-operative expenses	66.19	1,483.52

5. Right-of-use assets

Particulars	Leasehold Land As at 31.03.2021	Leasehold Land As at 31.03.2020
Opening balance	110.55	-
Reclassified on account of adoption of ind as 116	-	114.30
Additions	-	-
Deletion	-	-
Depreciation	3.74	3.75
Closing balance	106.81	110.55

6. Other non-current assets

Particulars	As at 31.03.2021	As at 31.03.2020
Capital advances	66.22	38.29
Total	66.22	38.29

7. Inventories

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Raw materials	9,731.97	12,985.35
(ii) Finished goods	305.74	389.92
(iii) Stores and spares	375.14	357.78
Total	10,412.85	13,733.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Included above, goods in transit		
(i) Raw materials	161.72	68.25
	161.72	68.25

[Basis of valuation refer Note-2.4 (J)]

7.1 For Inventories hypothecation as security to bank for working capital loan. (Refer Note No 17.1)

8. Trade receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured		
Considered good	817.15	790.79
Considered doubtful	2.18	41.96
Less: Impairment allowance for doubtful debts (expected credit loss allowance)	(2.18)	(41.96)
Total	817.15	790.79

8.1 Trade receivables are further analysed as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	Gross credit risk	Gross credit risk
Amounts not yet due	623.75	17.54
One month overdue	195.58	98.46
Two months overdue	-	83.03
Three months overdue	-	-
Between three to six months overdue	-	-
Greater than six months overdue	-	633.72
Less: Impairment Provision	(2.18)	(41.96)
Net credit risk	817.15	790.79

8.2 Movement of impairment allowance for doubtful debts (expected credit loss allowance)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the period	41.96	2.24
Movement in expected credit loss allowance on trade receivables (calculated at lifetime expected credit losses)	(39.78)	39.72
Balance at the end of the period	2.18	41.96

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

9. Cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Cash in hand	2.24	1.37
Balances with banks		
-In current accounts	19.68	87.81
-In deposit account (maturing within 3 months)	1,055.67	375.76
Total	1,077.59	464.94

9.1 Balance in fixed deposits is pledged with bank as margin money for letter of credit/bank guarantee.

10. Bank balances other than cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
In Deposits account (maturing above 3 months)	48.13	207.48
Total	48.13	207.48

10.1 Balance in fixed deposits is pledged with bank as margin money for letter of credit/bank guarantee.

11. Other financial assets

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good		
Security deposits	86.66	48.86
Total	86.66	48.86

12. Other current assets

Particulars	As at 31.03.2021	As at 31.03.2020
Balance with government authorities	1,835.05	1,284.78
Prepaid expenses	13.94	18.59
Advances to suppliers (against supply of goods or services)	8,225.76	4,114.52
Total	10,074.75	5,417.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

13. Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised:		
Equity share capital		
12,50,00,000 Equity shares of ₹ 2/- each (31.03.2020: 12,50,00,000 Equity shares of ₹ 2/- each)	2,500.00	2,500.00
Preference share capital		
7,50,00,000 Preference shares of ₹ 10/- each (31.03.2020: 7,50,00,000 Preference shares of ₹ 10/- each)	7,500.00	7,500.00
Total	10,000.00	10,000.00
Issued, subscribed and fully paid-up		
3,54,96,000 Equity shares of ₹ 2/- each (31.03.2020: 3,54,96,000 Equity shares of ₹ 2/- each)	709.92	709.92

13.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Opening balance	3,54,96,000	709.92	3,54,96,000	709.92
Increase in number of shares	-	-	-	-
Closing balance	3,54,96,000	709.92	3,54,96,000	709.92

13.2 Shares held by holding Company

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of Shares	(₹ in Lakhs)	No of Shares	(₹ in Lakhs)
Equity shares				
Karni Syntex Pvt. Ltd	2,16,47,964	60.99	2,06,85,480	58.28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

13.3 List of Shareholder holding more than 5 percent Shares in the Company:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of shares of ₹ 2/- each	(%)	No. of shares of ₹ 2/- each	(%)
Equity shares				
i) Karni Syntex Pvt. Ltd	2,16,47,964	60.99	2,06,85,480	58.28
ii) Flamingo Overseas Pvt. Ltd.	30,00,000	8.45	30,00,000	8.45

13.4 Rights, preferences and restrictions attached to shares

The equity shares of the Company have par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. All these equity shares have same right with respect to payment of dividend, repayment of capital and voting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

14. Other equity

Particulars	As at 31.03.2021	As at 31.03.2020
Equity component of compound financial instruments	1,230.15	1,230.15
Capital redemption reserve	300.00	300.00
Securities premium	1,973.88	1,973.88
Retained earnings	7,849.26	6,796.00
Total	11,353.29	10,300.03

14.1 Equity component of compound financial instruments (7% redeemable non-cumulative preference shares)

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	1,230.15	1,230.15
Add: Addition during the year	-	-
Balance at the end of the year	1,230.15	1,230.15

14.2 Capital redemption reserve

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	300.00	300.00
Add: Addition during the year	-	-
Balance at the end of the year	300.00	300.00

14.2.1 Capital redemption reserve represents the reserve created against the redemption of 8 % redeemable cumulative preference shares of ₹ 10/- each, during the FY 2005-06. It is a statutory, non-distributable reserve into which amounts are transferred following the redemption of shares as per the relevant provisions of the Companies Act prevailing at that time.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

14.3 Securities premium

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	1,973.88	1,973.88
Add: Addition during the year	-	-
Balance at the end of the year	1,973.88	1,973.88

14.3.1 Securities premium represents the amount received in excess of par value of securities. These will be utilised in accordance with the provisions of the Companies Act 2013.

14.4 Retained earnings

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	6,796.00	5,980.99
Profit after tax for the year	1,046.50	822.86
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	6.76	(7.85)
Balance at the end of the year	7,849.26	6,796.00

14.4.1 Retained earnings represents the undistributed profits of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined on the basis of the balance of the retained earnings of the financial statements after considering the requirements of the Companies Act, 2013.

15. Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Secured		
Term loan	504.44	1,650.00
Vehicle loans	45.37	17.89
Total secured borrowings	549.81	1,667.89
Unsecured		
7 % Redeemable non-cumulative preference shares of ₹ 10 each fully paid up	3,687.69	3,446.44
Other loans (inter corporate deposits)	2,050.00	2,050.00
Total unsecured borrowings	5,737.69	5,496.44
Total	6,287.50	7,164.33

15.1 Term Loan carries an interest at 1 % (spread) over and above 1 year MCLR p.a. subject to cap of 9.25 % p.a. The term loan from bank is secured by subservient charge on the entire current assets and movable fixed assets of the Company (both present and future), personal guarantee of Chairman and Managing Director and corporate guarantee of third party.

15.2 Vehicle loans are secured by hypothecation of vehicles purchased under the respective agreements. Interest rate varies from 8.80 % to 10.01 % p.a, repayable in equated monthly instalment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

15.3 Redeemable non-cumulative preference shares of ₹ 10/- each carries a fixed dividend rate of 7 %. The preference shares are redeemable at par on completion of the 12th year, however at the discretion of the Company, same can be redeemed any time after 5 years from the date of issue. In case of liquidation, the preference shareholders will have preference over the equity shareholders over the distribution of remaining assets of the Company.

15.4 Other loans carries interest rate of 12 % to 13 % p.a, repayable after 5 years from the date of the loan.

16. Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Post-employment defined benefits		
-Retirement gratuity	152.33	147.15
Other employee benefits	30.17	28.66
Total	182.50	175.81

17. Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Secured		
Repayable on demand from banks		
-Cash credits	4,888.19	3,252.94
Unsecured		
Short term loan from corporate body	-	200.00
Total	4,888.19	3,452.94

17.1 The working capital loans from banks are secured by way of first charge on current assets of the Company comprising stock of raw materials, stock in process, finished goods, stores and book debts, both present and future and second charge on fixed assets of the Company and corporate guarantee of promoter Company and personal guarantee of the promoter director.

18. Trade payables

Particulars	As at 31.03.2021	As at 31.03.2020
Outstanding dues of micro enterprises and small enterprises	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises:		
-Creditors for supplies and services	6,049.79	11,843.84
Total	6,049.79	11,843.84

18.1 There are no micro, small and medium class enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2021. The above information regarding micro, small and medium class enterprises has been determined to the extent such parties have been identified on the basis of available information with the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

19. Other financial liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Current maturity of long term borrowing	1,858.38	650.00
Current maturities of vehicle loan	19.92	18.30
Interest payable on borrowings	294.03	117.15
Total	2,172.33	785.45

20. Other current liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory dues	910.35	765.00
Advance from customers	5,387.83	1,595.15
Payable to employees	58.76	60.53
Total	6,356.94	2,420.68

21. Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Provision for taxation	1,979.43	1,677.29
Total	1,979.43	1,677.29

22. Revenue from operations

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Sale of goods:		
-Pig iron	48,864.39	36,306.03
-Coke and coal	3,459.30	12,159.95
-Others	2,356.48	835.24
Sale of services:		
-Job work income	381.84	305.55
Total	55,062.01	49,606.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

23. Other income

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest income	479.40	483.28
Lease rental	54.00	54.00
Sundry liabilities relating to earlier years written back	32.89	40.71
Impairment allowance for doubtful debts written back	39.78	(39.72)
Foreign exchange fluctuation gain	50.38	-
Total	656.45	538.27

24. Cost of materials consumed

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Raw materials consumed		
Opening stock	12,985.35	7,324.89
Add: Purchases	41,180.79	35,963.85
	54,166.14	43,288.74
Less: Closing stock	9,731.97	12,985.35
Total Raw material consumed	44,434.17	30,303.39
Raw materials consumption comprises		
Iron ore	10,853.23	7,550.54
Coke and coal	31,250.70	20,988.02
Others	2,330.24	1,764.83
Total Raw material consumed	44,434.17	30,303.39

25. Purchase of stock-in-trade

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Coke and coal	2,599.80	11,888.53
Others	602.00	1.62
Total	3,201.80	11,890.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

26. Changes in inventories of finished goods

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Closing stock of finished goods	305.74	389.92
Opening stock of finished goods	389.92	610.85
(Increase)/decrease in inventory	84.18	220.93

27. Employee benefit expenses

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, wages , labour charges, bonus etc	1,499.47	1,439.93
Contribution to provident and other funds	109.99	114.60
Staff welfare expenses	20.26	17.64
Total	1,629.72	1,572.17

28. Finance cost

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest expense:		
-Interest on borrowings	709.31	532.78
-Interest on preference shares	241.25	226.05
-Interest on others	5.01	26.89
Other borrowing cost	75.21	139.50
Total	1,030.78	925.22

29. Depreciation and amortization expense

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation on property, plant and equipment as per note 3	890.23	751.10
Depreciation on right-of-use assets as per note 4	3.74	3.75
Total	893.97	754.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

30. Other expenses

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Consumption of stores and spares	1,048.08	994.61
Power and fuel	1,018.35	818.28
Rent	9.02	8.84
Repairs to machinery	244.80	136.30
Insurance	17.02	16.16
Rates and taxes	163.84	186.04
Carriage outwards	17.18	-
Commission on sales	28.44	31.12
Corporate social responsibility expenditure	29.78	4.32
Foreign exchange fluctuation loss	-	306.86
Loss on discard of fixed assets	2.11	-
Payment to auditor		
For Statutory audit	5.11	5.11
For Tax audit	1.00	1.00
For Limited review and certification	2.20	1.75
Miscellaneous expenses	389.86	413.14
Total	2,976.79	2,923.53

31. Income tax expense

31.1 Income tax recognised in profit or loss

Particulars	As at 31.03.2021	As at 31.03.2020
a) Current tax expense		
Current year	302.14	560.41
b) Deferred tax expense		
Origination and reversal of temporary differences and mat credit entitlement	118.41	171.53
Total Income tax expense	420.55	731.94

31.2 Income tax recognised in OCI

Particulars	As at 31.03.2021	As at 31.03.2020
Remeasurements of defined benefit plans	(3.63)	4.22
Total income tax expense relating to OCI items	(3.63)	4.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

31.3 Deferred tax assets and liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Liabilities		
Difference between book and tax depreciation	2,457.33	1,986.66
Related to preference shares	281.64	365.95
Total deferred tax liabilities	2,738.97	2,352.61
Assets		
Provision for employee benefits	63.77	57.22
Allowance for doubtful debts	0.76	14.66
Mat credit entitlement	1,107.55	835.88
Total deferred tax assets	1,172.08	907.76
Net deferred tax assets/(liabilities)	1,566.89	1,444.85

31.4 Reconciliation of deferred tax liabilities (net)

Particulars	As at 31.03.2021	As at 31.03.2020
Opening balance	1,444.85	1,277.54
Deferred tax expenses recognised in statement of profit and loss	118.41	171.53
Deferred tax recognised on other comprehensive income	3.63	(4.22)
Closing balance	1,566.89	1,444.85

Particulars	As at 31.03.2020	Charge/ (Credit) to the Statement of Profit and Loss	As at 31.03.2021
Deferred tax liabilities			
Difference between book and tax depreciation	1,986.66	470.67	2,457.33
Preference shares	365.95	(84.31)	281.64
Total	2,352.61	386.36	2,738.97
Deferred tax assets			
Provision for employee benefits	57.22	6.55	63.77
Allowance for doubtful debts (excepted credit loss allowance)	14.66	(13.90)	0.76
Mat credit entitlement	835.88	271.67	1,107.55
Total	907.76	264.32	1,172.08
Deferred tax liabilities (net)	1,444.85	122.04	1,566.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

32. Earnings per share (EPS)

Computation of earning per share

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Face value of equity shares (in rupees)	₹ 2	₹ 2
Weighted average number of equity shares used for computing earning per share (basic & diluted) (in numbers)	3,54,96,000	3,54,96,000
Profit attributable to equity share holders (₹ in lakhs)	1,046.50	822.86
Earning per share (basic and diluted) (in rupees)	2.95	2.32

33. Commitments and contingencies

33.1 Capital commitments

Particulars	As at 31.03.2021	As at 31.03.2020
Estimated value of contracts in capital account remaining to be executed (net of advances)	1,156.69	896.07

33.2.1 Contingent liabilities (To the extent not provided for and claim against Company not acknowledged as Debts) Ind AS 37.

Particulars	As at 31.03.2021	As at 31.03.2020
Disputed liabilities		
Excise duty matters (amount paid under protest ₹ 1.43 Lakhs, previous year ₹1.43 Lakhs)	14.34	14.34
Jharkhand entry tax matters (amount paid under protest ₹ 81.75 Lakhs, previous year ₹ 81.75 Lakhs)	81.75	81.75
Guarantees		
Bank guarantees	253.91	414.92

33.2.2 The Company has received demand from South Eastern Railway towards differential freight payment pertaining to the period F.Y. 2008-09 to F.Y. 2010-11 amounting to ₹ 603.91 Lakhs plus interest and penalty there on. The matter is subjudice with hono'able Calcutta High Court. The management are in view that there is a fair chance of quashing of demand and accordingly no provision has been made in the Accounts.

33.2.3 In the respect of the above matters, future cash flow are determinable on receipt of judgement/decision pending at various forums/authorities.

34. Segment reporting

The Company is predominantly engaged in a single reportable segment of Iron and Steel during the year. The risks and returns of manufacturing of pig iron and trading of its raw material are directly associated with Iron and Steel business and hence treated as single reportable business segment. The other activities for cement manufacturing is less than 10 % of total revenue and hence there are no additional disclosures to be made other than those already provided in the financial statements. The Company is operating within India only and hence India is the only geographical segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

35. Related party transactions

35.1 List of related parties and the nature of relationship:

Name of related party	Nature of relationship
Karni Syntex Pvt. Ltd	Holding Company
Key managerial personnel	
-Mr. Radhey Shyam Jalan	Chairman and Managing Director
-Mrs. Manjula Poddar	Independent Director
-Mr. Rajarshi Ghosh	Independent Director
-Mr. Laxmi Narayan Sharma	Independent Director
-Mr. Suresh Kumar Singhal	Independent Director (Resigned)
-Mr. Kanhaiyalal Didwania	Non Executive and Non Independent Director
-Mr. Mukesh Bengani	Director (Finance) and Chief Financial Officer
-Mrs. Ruchika Fogla	Company Secretary

35.2 Transactions during the year

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
With Key managerial personnel		
-Director's remuneration	102.73	74.70
-Other KMP's remuneration	7.06	14.74
-Other benefits paid	0.70	0.55

36. Corporate social responsibility expense

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Gross amount required to be spent as per section 135 of the Act	58.17	49.63
Amount spent during the year on:		
(i) Construction /Acquisition of any asset	-	-
(ii) On purposes other than (i) above	29.78	4.32
Total	29.78	4.32

As on March 31, 2021 the Company needs to transfer ₹ 80.29 Lakhs to unspent CSR Account as per Section 135(6) of the Companies Act, 2013. On April 19, 2021 the Company transferred ₹ 10 Lakhs from this amount to an ongoing project, consequent to which ₹ 70.29 Lakhs was transferred to the unspent CSR Account on April 30, 2021.

37. The group has only one Wholly Owned Subsidiary Company, as such the entire profit/loss and total comprehensive income belong to the owners of the parent and nothing is attributable to non-controlling interest. Also there is no non-controlling interest in the Balance Sheet and in the statement of changes in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

38. The group has only one Wholly Owned Subsidiary Company with no significant material transaction. Notes to the account as required in accordance with Schedule III and Companies (Indian Accounting Standard) Rules 2015 being similar to that disclosed by holding Company in their standalone financial statements are not been appended hereto.

39. The impact of the Government imposed nation-wide lock down due to the covid -19 pandemic was partial and temporary as requisite permissions were obtained by the group in May, 2020 to resume its manufacturing operations which were suspended from March 24, 2020 to May 4, 2020. In light of the aforesaid pandemic, inter alia considering the internal and external factors, the group has assessed the carrying amount of property, plant and equipment, receivables, inventories, investments and other assets as at March 31, 2021, the current liquidity position including its cash flows, the business outlook and has concluded that no material adjustments are required in these financial results.

40. Previous year's figure have been re-grouped/re-classified wherever necessary.

In terms of our report of even date attached

For **B. N. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 320312E

S. K. Agarwal

Partner

Membership No. 068141

Place : Kolkata

Dated : June 25, 2021

For and on behalf of the Board of Directors

R. S. Jalan

Chairman and Managing Director

(DIN: 00578800)

M. Bengani

Director (Finance) and CFO

(DIN: 08892916)

R. Fogla

Company Secretary

(ACS : 23339)

M. Poddar

Director

(DIN: 08158445)

Corporate Information

BOARD OF DIRECTORS

Chairman and Managing Director

Mr. Radhey Shyam Jalan

Independent Director

Mr. Laxmi Narayan Sharma

Mrs. Manjula Poddar

Mr. Rajarshi Ghosh*

Mr. Suresh Kumar Singhal**

Director (Finance) and CFO

Mr. Mukesh Bengani

Director

Mr. Kanhaiyalal Didwania

Company Secretary

Mrs. Ruchika Fogla

Statutory Auditors

M/s. B. N. Agrawal & Co.

Chartered Accountants

1, Old Court House Corner,

Room No. 511, 5 Floor

Tobacco House, Kolkata - 700 001

West Bengal, India

Bankers

State Bank of India

YES Bank Limited

Register Office

"Sir Rnm House"

3B, Lal Bazar Street, 4th Floor,

Room No. 2, Kolkata - 700 001

West Bengal, India

Phone/Fax : +91 33 4001 9636

Plant Location

Raturia, Angadpur, Durgapur - 713 215

West Bengal, India

Phone : +91 9874943345

Registrar & Share Transfer Agents

M/s. S. K. Infosolutions Pvt. Ltd.

D/42, Katju Nagar

(Near South City Mall), Ground Floor,

Katju Nagar Bazar, Jadavpur

Kolkata -700 032

West Bengal, India

Phone : +91 33 2412 0027/29

CIN : L01409WB1986PLC041169

* Appointed on October 21, 2021

**Resigned on October 21, 2021

