

# **ANNUAL REPORT & ACCOUNTS 2019-2020**



**THE RAMESHWARA JUTE MILLS LIMITED**

## THE RAMESHWARA JUTE MILLS LIMITED

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CIN : L17119WB1935PLC046111

### **Board of Directors :**

R. P. Pansari, Chairman *DIN : 00869222*  
K.K. Chandak *DIN: 02529540*  
S. S. Jajodia *DIN : 00065195 (upto 16-08-2020)*  
Smt. S. P. Patjoshi *DIN : 06620290*  
Sneha Kajaria *DIN : 08311236 (w.e.f. 30-07-2020)*  
Tarun Kumar Kabra *DIN : 01260374 (w.e.f. 28-08-2020)*

### **Chief Executive Officer :**

Suresh Kumar Sharma *(upto 03-08-2020)*

### **Chief Financial Officer :**

Kishor Kumar Sharma

### **Company Secretary :**

Amit Dhanuka *(upto 28-11-2019)*  
Priyanka Arora *(w.e.f. 13-02-2020)*

### **Auditors :**

A. Singhi & Co.  
Chartered Accountants

### **Bankers :**

CITI Bank  
UCO Bank  
State Bank of India  
Axis Bank Ltd.

### **Registered Office :**

“Birla Building”, 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
Phone No. 033-22624413 (Extn. 860)  
E-mail : [rjm.ho@rjm.co.in](mailto:rjm.ho@rjm.co.in)  
Website : <http://www.rameshwarajute.com>

### **Share Department :**

“Birla Building”, 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
E-mail : [sharedepartment@rjm.co.in](mailto:sharedepartment@rjm.co.in)

## NOTICE to the Members

NOTICE is hereby given that the Annual General Meeting of the Members of **THE RAMESHWARA JUTE MILLS LIMITED** will be held on Wednesday, the 30<sup>th</sup> September, 2020 at 3:00 P.M. through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) to transact the following business:

### General Business :

1. To consider and adopt the Audited Financial Statement consisting of the Balance Sheet as at 31<sup>st</sup> March, 2020, Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity for the year ended on that date, the Report of the Auditors thereon and the Report of the Board of Directors of the Company for the financial year ended 31<sup>st</sup> March, 2020.

### Special Business :

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

2. **“RESOLVED THAT** pursuant to the provisions of Section 152(2) and all other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Rajendra Prasad Pansari (DIN: 00869222), an existing Additional Director, who is holding office up to this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.
3. **“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Krishan Kumar Chandak (DIN: 02529540), an existing Additional Independent Director, who is holding office up to this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years with effect from the end of the this Annual General Meeting till end of the 5<sup>th</sup> Annual General Meeting of his appointed General Meeting and shall not be liable to retire by rotation.”
4. **“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Sneha Kajaria (DIN: 08311236), an existing Additional Independent Woman Director, who is holding office up to this Annual General Meeting be and is hereby appointed as an Independent Woman Director of the Company to hold office for a term up to five consecutive years with effect from the end of the this Annual General Meeting till end of the 5<sup>th</sup> Annual General Meeting of her appointed General Meeting and shall not be liable to retire by rotation.”
5. **“RESOLVED THAT** pursuant to the provisions of Section 152(2) and all other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Tarun Kumar Kabra (DIN: 01260374), an existing Additional Director, who is holding office up to this Annual General Meeting, be and is hereby appointed as a Non- Executive Director of the Company, liable to retire by rotation”.

Registered Office :  
“Birla Building”, 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata – 700001  
Dated : 28<sup>th</sup> day of August, 2020

By Order of the Board

**Priyanka Arora**  
*Company Secretary*

**Notes:**

1. In view of the situation arising due to COVID-19 pandemic across the country and restrictions on the movements apart from social distancing, restrictions of gatherings, travel restrictions and other preventive advisories being issued by the Government from time to time. Ministry of Corporate Affairs (**MCA**) vide Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (collectively refer to as 'MCA Circulars') and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted the company to hold their Annual General Meeting through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**") for the calendar year 2020. As such the forthcoming Annual General Meeting (AGM) will be held through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"). Hence, Members can attend and participate in the ensuing AGM and also vote through VC/OAVM without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the AGM of the Company is being conducted through Video Conferencing ("**VC**") (hereinafter referred to as "AGM" ). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to have been conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using Remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM held through VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all members. Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. who are entitled to attend the AGM.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the body corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there to and cast their votes through e-Voting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice of AGM along with Annual Report for the Financial Year 2019-20 is being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company at [www.rameshwarajute.com](http://www.rameshwarajute.com). The Notice as well as the Annual Report for the Financial Year 2019-20 can also be accessed from the website of the Calcutta Stock Exchange Limited. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Members are requested to send in their queries at least 10 days in advance to the Company at the Registered Office of the Company to facilitate clarifications during the AGM.
9. Since no dividend is proposed to be declared by the Shareholders the register of Members and Share transfer books of the Company will not close.

10. Members whose e-mail addresses and bank details are not registered are requested to register the same in the following manner:
- i. Members having shares in physical mode can register their e-mail Ids and bank details by sending requisite details of their holding and copy of self certified PAN, Aadhaar Card and a Cancelled cheque leaf bearing the name of the shareholder on the face of the cheque at [sharedepartment@rjm.co.in](mailto:sharedepartment@rjm.co.in)
  - ii. Members having shares in electronic mode are requested to register/update their e-mail Ids and bank details with their respective Depository Participants.

**11. Voting Through Electronic Means :**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system (“**remote e-Voting**”) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL).

12. The process and manner for remote e-Voting are as under:

- (i) The remote e-Voting period commences on **Friday, the 25<sup>th</sup> September, 2020 at 09.00 AM and ends on Tuesday, the 29<sup>th</sup> September, 2020 at 05.00 PM**. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the voting eligibility **cut-off date of Wednesday, 23<sup>rd</sup> September, 2020**, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The Shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on “Shareholders” module.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in dematerialized form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

<b>For Members holding a shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha -numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company</li> </ul>
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• if both the details are not recorded with the Depository or Company, please enter the Member ID/ Folio Number in the Dividend Bank details filed as mentioned in instruction(iv).</li> </ul>

- (viii) After entering the details appropriately click on “SUBMIT” tab.

- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (x) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
  - (xi) Click on the EVSN for the relevant Company Name i.e. **THE RAMESHWARA JUTE MILLS LIMITED** on which you choose to vote.
  - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies you assent to the Resolution and Option "NO" implies you dissent to the Resolution.
  - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution, which you have decided to vote on; then click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote any further.
  - (xvi) You can also take out print of the voting done by you by clicking on "Click hereto print" option on the Voting Page.
  - (xvii) If Demat account holder has forgotten the existing password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote e-Voting on your mobile.
13. Procedure for those Shareholders whose e-mail addresses are not registered with the Depositories for obtaining login credentials for e-Voting for the Resolutions proposed in this notice:
- i. For Physical Shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by e-mail to Company.
  - ii. For Demat Shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to Company's e-mail id.
  - iii. The company shall co-ordinate with CDSL and provide the login credentials to the above mentioned Shareholders.
14. Instructions for Shareholders Attending the AGM through VC/OAVM are as under:
- i. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the Remote e-Voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.
  - ii. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
  - iii. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- iv. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio and Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  - v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at the Company email id. **Due to limitations of transmission and co-ordination during the AGM, the Company may have to dispense with or curtail the Speaker Session, hence Shareholders are encouraged to send their questions etc. 10 days in advance** prior to meeting mentioning their name, demat account number/folio number, **e-mail id, mobile number at ([sharedepartment@rjm.co.in](mailto:sharedepartment@rjm.co.in))**. These queries will be replied to by the Company suitably by e-mail, if any remained unreplied at the AGM.
  - vi. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
15. Instructions for Shareholders for e-Voting during the AGM are as under:
- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
  - ii. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
  - iii. If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the meeting.
  - iv. Shareholders who have voted through Remote e-Voting will be eligible only to attend the AGM. However, they will not be eligible to vote at the AGM.
16. Other Common Instructions :
- i. Note for Institutional Shareholders & Custodians :
    - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which have been issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual Shareholders are required to send the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [viz: sharedepartment@rjm.co.in](mailto:sharedepartment@rjm.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

- ii. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai -400013 or send an e-mail to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) or call 1800225533.

- iii. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the voting eligibility **cut-off date of Wednesday, 23<sup>rd</sup> September, 2020**. A person who is not a member as on cut-off date should treat this notice for information purpose only.
- iv. The Company is sending through email, the AGM Notice and the Annual Report to the Shareholders whose name is recorded as on **Tuesday, 1<sup>st</sup> September, 2020**, in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories.
- v. The Shareholders shall have one vote per equity share held by them as on the voting eligibility cut-off date of **Wednesday, 23<sup>rd</sup> September, 2020**. The facility of e-Voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
- vi. Since the Company is required to provide members the facility to cast their vote by electronic means, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the voting eligibility cut-off date of **Wednesday, 23<sup>rd</sup> September, 2020** for this purpose and not casting their vote electronically, may only cast their vote at the Annual General Meeting through the e-Voting facility provided specifically for the AGM as per procedure outlined in this notice.
- vii. Investors who become members of the Company subsequent to the dispatch of the Notice/ e-mail and holds the shares as on the voting eligibility cut-off date i.e. **Wednesday, 23<sup>rd</sup> September, 2020** are requested to send the written/ e-mail communication to the Company at [sharedepartment@rjm.co.in](mailto:sharedepartment@rjm.co.in), by mentioning their Folio No. / DPID and Client ID to obtain the Login-ID and Password for e-Voting. The Management will do their best to accommodate and execute such requests so that the Shareholders can participate in the e-Voting which commences on **Friday, 25<sup>th</sup> September, 2020 and ends on Tuesday, 29<sup>th</sup> September, 2020**.
- viii. Shri Kamal Kumar Sharma, (ICSI CP Registration No. 4057), a Practicing Company Secretary (**e-mail : [kamalfcs@rediffmail.com](mailto:kamalfcs@rediffmail.com)**) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and voting/polling at the AGM in a fair and transparent manner. The Scrutinizer will submit his Consolidated Report after the conclusion of AGM on the total votes cast in favour or against the resolutions, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the results of the voting within maximum two days of the AGM after it is concluded or within such time as specified under the Companies Act, 2013 and regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 after also taking into account the e-votes cast on the resolutions by the members who participate in the AGM through VC and/or OAVM mode .
- ix. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.rameshwarajute.com](http://www.rameshwarajute.com). The result will also be communicated to the Calcutta Stock Exchange Ltd. within 48 hours of the conclusion of the AGM or such time as may be permitted under the law.

On receipt of the requisite number of votes, the Resolutions specified in the notice shall be deemed to have been passed on the date of the Annual General Meeting.

Registered Office :  
“Birla Building”, 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata – 700001  
Dated : 28<sup>th</sup> day of August, 2020

By Order of the Board

**Priyanka Arora**  
Company Secretary



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

**Item No. 2**

The Board at its Meeting held on 13.11.2019 had appointed Shri Rajendra Prasad Pansari (DIN: 00869222) as an Additional Director on recommendation of "Nomination and Remuneration Committee" and pursuant to Section 150 of the Companies Act, 2013 he holds the office as Director upto the conclusion of the ensuing Annual General Meeting.

Shri Rajendra Prasad Pansari (73), a veteran Chartered Accountant, has over four decades of experience in working at various senior positions handling financial, legal, secretarial, taxation and capital market related matters. He is presently the Chief Executive Officer of Pilani Investment & Industries Corporation Ltd. and a Member of its ALM Committee, Investment & Finance Committee & Risk Management Committee and also a Director in PIC Realcon Ltd. Shri Pansari doesn't hold any share in the Company.

The Board recommends the appointment of Shri Pansari as Director of the Company.

Shri Pansari should be deemed concerned or interested in the particular Resolution seeking appointment as Director. No other Director / Key Managerial Personnel or any relative of the Directors or the Key Managerial Personnel or Promoters have any concern or interest in the aforesaid Resolution. The passing of aforesaid Resolution also do not relate to or affect any other Company.

**Item No. 3**

Shri Krishan Kumar Chandak, was appointed as an Additional Director of the Company by the Board on the recommendation of the "Nomination and Remuneration Committee" at the Board Meeting held on 13.02.2020 and he holds the office as Director till the ensuing Annual General Meeting of the Company.

Based on recommendation of Nomination and Remuneration Committee, in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR Regulations"), Shri K. K. Chandak was also proposed to be appointed by the Board as Independent Director by the Shareholders for five consecutive years effective from the end of this AGM till the end of 5<sup>th</sup> AGM hereinafter.

Shri Krishan Kumar Chandak (44), a Chartered Accountant, has over 27 years of experience at various senior positions handling financial, secretarial, taxation and NBFCs matters. He is presently the Executive Officer of Central India Industries Limited and also Directors in various group of companies of C. K. Birla Group. He is also on the Board of Pilani Properties Ltd, Jute Investment Co. Ltd., Universal Trading Co. Ltd. Shri Chandak doesn't hold any share in the Company.

The Company has received requisite declarations from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the LODR and is also registered with the Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 150 of the Act. He is also given consent to act as Independent Director of the Company, if so appointed by the Members.

The Board recommends the appointment of Shri Chandak as Independent Director of the Company.

Shri Krishan Kumar Chandak should be deemed concerned or interested in the particular Resolution seeking appointment as Directors. No other Director / Key Managerial Personnel or any relative of the Directors or the Key Managerial Personnel or Promoters have any concern or interest in the aforesaid Resolution. The passing of aforesaid Resolution also do not relate to or affect any other Company.

**Item No. 4**

Ms. Sneha Kajaria, was appointed as Additional Independent Director of the Company by the Board on the recommendation of the "Nomination and Remuneration Committee" at the Board Meeting held on 30.07.2020 and she holds the office as Director till the ensuing Annual General Meeting of the Company.

Based on recommendation of Nomination and Remuneration Committee in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the LODR Regulations”), Ms. Sneha Kajaria was also proposed to be appointed by the Board as Independent Woman Director by the Shareholders for five consecutive years effective from the end of this AGM till the end of 5<sup>th</sup> AGM hereinafter.

Ms. Sneha Kajaria is a qualified Company Secretary and pursuing Bachelor of Laws from Sarsuna Law College, Kolkata. She has a working experience of over 6 years in the field of Secretarial, Compliances and Law. She is the Company Secretary at Manjushree Plantations Limited. She is an Independent Director at Cygnet Industries Limited and hold Directorship in Manav Investment and Trading Company Limited and Panchmukhi Investment & Trading Co. Ltd. Ms. Kajaria doesn't hold any share in the Company.

The Company has received requisite declarations from her stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the LODR and is also registered with the Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 150 of the Act. She is also given consent to act as Independent Woman Director of the Company, if so appointed by the Members.

The Board recommends the appointment of Ms. Kajaria as Independent Woman Director of the Company.

Ms. Sneha Kajaria should be deemed concerned or interested in the particular Resolution seeking appointment as Director. No other Director / Key Managerial Personnel or any relative of the Directors or the Key Managerial Personnel or Promoters have any concern or interest in the aforesaid Resolution. The passing of aforesaid Resolutions also do not relate to or affect any other Company.

**Item No. 5**

The Board at its Meeting held on 28.08.2020 had appointed Shri Tarun Kumar Kabra (DIN:01260374) as an Additional Director on the recommendation of “Nomination and Remuneration Committee” and pursuant to Section 150 of the Companies Act, 2013 he holds the office as Director upto the conclusion of the ensuing Annual General Meeting.

Shri Tarun Kumar Kabra (55), is a Fellow Member of Institute of Company Secretaries of India. Mr. Kabra is working as Company Secretary of National Engineering Industries Limited since 2016. Prior to this, he has worked with companies like Hindustan Motors Ltd., Bengal Tea and Fabrics Limited, Tega Industries Limited, Derby Udyog Limited and India Jute & Industries Limited. He specialises in Company Law matters and also advises on other Corporate Laws. He has more than 35 years of experience in the areas of Corporate Law, Finance and Taxation. He is past Member of Taxation and Company Affairs Standing Committee of Bharat Chamber of Commerce. Shri Kabra doesn't hold any share in the Company.

The Board recommends the appointment of Shri Kabra as Director of the Company.

Shri Kabra should be deemed concerned or interested in the particular Resolution seeking appointment as Director. No other Director / Key Managerial Personnel or any relative of the Directors or the Key Managerial Personnel or Promoters have any concern or interest in the aforesaid Resolution. The passing of aforesaid Resolution also do not relate to or affect any other Company.

None of the Directors are related to each other, further they do not hold any shares in the Company.

Registered Office :  
“Birla Building”, 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata – 700001  
Dated : 28<sup>th</sup> day of August, 2020

By Order of the Board  
  
**Priyanka Arora**  
*Company Secretary*

## DIRECTORS' REPORT

Your Directors present the Annual Report together with the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS :

	<u>31<sup>st</sup> March, 2020</u>	<u>31<sup>st</sup> March, 2019</u>
		( ₹ in Lakh)
<b>Total Revenue</b>	<b>15978.34</b>	<b>8488.14</b>
Profit/(Loss) before Interest, Depreciation and Tax	<b>4908.74</b>	<b>3828.64</b>
Less: Depreciation	<b>745.23</b>	<b>749.20</b>
Finance Cost	<b>215.34</b>	<b>661.46</b>
Tax Expenses	<b>(230.86)</b>	<b>542.47</b>
	<b>729.71</b>	<b>1953.13</b>
<b>Profit/(Loss) for the year</b>	<b>4179.03</b>	<b>1875.51</b>
Other Comprehensive Income (net of tax expense)	<b>(53.04)</b>	<b>(479.56)</b>
<b>Total Comprehensive Income/(Loss) for the year</b>	<b>4125.99</b>	<b>1395.95</b>

### BUSINESS OPERATIONS & REVIEW

The division has raised 6,81,821 MT of Iron Ore (ROM) in FY 2019-20 as against 5,94,260 MT of Iron Ore (ROM) production in FY 2018-19 and sold 7,96,615 MT of Iron Ore (ROM) during the FY 2019-20 as against 3,43,809 MT in FY 2018-19.

The division earned operational profit of ₹ 3911.67 lakhs as against profit of ₹ 2438.23 lakhs in FY 2018-19.

The mining lease expired as at the end of the business hours of 31<sup>st</sup> March, 2020. The closing stock at 31<sup>st</sup> March, 2020 shall be disposed off during the financial year 2020-21 after obtaining the necessary permission from the District Mines Officer, Chaibasa, Jharkhand.

The Company had applied the Government seeking permission for removal of the ore lying in the mines. In view of the delay, the Company had approached the Hon'ble High Court of Ranchi vide WP No. 1420 of 2020 which was disposed by the Hon'ble Ranchi High Court on 25.06.2020 with a direction to the District Mining Officer to take a decision on the issue within a period of three weeks. Matter is being pursued with the Government to obtain the permission under 12(gg) of the Mineral Concession Rules 2016 for removal of the stock lying in the mines.

The negotiations with the landlord pertaining to eviction proceedings for office premises at Delhi, are on for arriving at a mutual settlement and the Company is quite hopeful in this regard.

### DIVIDEND

The Board has not recommended any dividend or transfer to Reserves for the financial year under reference to conserve the resources.

### SHARE CAPITAL

No shares with or without differential voting rights, stock options or sweat equity shares, were issued by the Company during the year and the Paid-up Equity Share Capital as on 31<sup>st</sup> March, 2020 continued to be ₹ 26.61 Lakhs.

### DIRECTORS

The following Independent Directors of the Company had vide their letter dated 21.9.2019, withdrawn their nomination seeking re-appointment as Independent Directors of the Company for the second term of five years:

Shri Rajendra Prasad Pansari (DIN : 00869222),  
Shri Kashi Prasad Chaudhary (DIN: 00369615),  
Shri Hukam Chand Daga (DIN: 00441914),  
Shri Umrao Chand Jain (DIN: 00008980) and  
Shri Gautam Ganguli (DIN: 00871416)

The Board gratefully acknowledge the committed and useful guidance given by the aforesaid Directors during their tenure on the Board.

Upon a favourable recommendation from the Board's Nomination and Remuneration Committee, the Board re-appointed Shri Rajendra Prasad Pansari (DIN : 00869222) as Additional Director *w.e.f 13<sup>th</sup> November, 2019*. Appropriate Ordinary Resolution, to this effect, is being proposed at the ensuing AGM for approval of the Shareholders.

Pawan Kumar Chhawchharia (DIN: 00200547), Director, resigned from the Board of the Company on close of the business of 17<sup>th</sup> January, 2020. The Board wishes to acknowledge dedicated services by him during his tenure of his Directorship.

The Board appointed Shri Krishan Kumar Chandak (DIN : 02529540) as Additional Independent Director *w.e.f 13<sup>th</sup> February, 2020* on the recommendation of the Nomination and Remuneration Committee. Appropriate Ordinary Resolution, for his appointment as Independent Director, is being proposed at the ensuing AGM for approval of the Shareholders.

The requisite declarations from all Independent Directors that they meet the independence criteria, as laid down under Section 149(6) of the Companies Act, 2013 ("the Act") as well as SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, were received.

Further , they had also got registered within the stipulated time with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors), Rules, 2014 read with Section 150 of the Companies Act, 2013.

The Board appointed Ms. Sneha Kajaria (DIN : 08311236) as Additional Director *w.e.f 30<sup>th</sup> July, 2020* on the recommendation of the Nomination and Remuneration Committee. Appropriate Ordinary Resolution, for her appointment as Independent Director, is being proposed at the ensuing AGM for approval of the Shareholders.

Shri Shyam Sundar Jajodia (DIN: 00065195), Director, resigned from the Board of the Company *w.e.f 17<sup>th</sup> August, 2020*. The Board wishes to acknowledge dedicated services by him during his tenure of his Directorship.

The Board appointed Shri Tarun Kumar Kabra (DIN : 01260374) as Additional Director *w.e.f 28<sup>th</sup> August, 2020* on the recommendation of the Nomination and Remuneration Committee. Appropriate Ordinary Resolution, for his appointment as Director, is being proposed at the ensuing AGM for approval of the Shareholders.

#### **KEY MANAGERIAL PERSONNEL (KMP)**

There was change in Key Managerial Personnel (KMPs) during the year. Amit Dhanuka, Company Secretary expressed his desire to discontinue as Company Secretary of the Company, he ceased to be Company Secretary of the Company effective 28.11.2019. In his place Ms. Priyanka Arora was appointed as a Company Secretary effective 13.02.2020.

Shri Suresh Kumar Sharma expressed his desire to discontinue as Chief Executive Officer of the Company effective 04.08.2020

The following persons functioned as Key Managerial Personnel during the year under section 203 of the Act.

Suresh Kumar Sharma	--	CEO ( <i>Resigned w.e.f 4<sup>th</sup> August, 2020</i> )
Kishor Kumar Sharma	--	CFO
Amit Dhanuka	--	Company Secretary ( <i>Upto 28<sup>th</sup> November, 2019</i> )
Priyanka Arora	--	Company Secretary ( <i>w.e.f 13<sup>th</sup> February, 2020</i> )

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of clause (c) of sub-section (3) read with sub-section (5) of section 134 of the Act, the Board, to the best of its knowledge and belief, confirms that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures; if any;
- (b) such accounting policies had been selected and applied consistently and such judgements and estimates had been made that were 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 ended 31<sup>st</sup> March, 2020 and of the profit of the Company for that period;
- (c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- (d) the Annual Accounts had been prepared on a going concern basis;
- (e) internal financial controls had been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **EVALUATION OF BOARD PERFORMANCE**

The performance of the board its committees and each of the board member were evaluated during the year under report on the basis of criteria specified in the Nomination and Remuneration Policy of the Company and in line with the provisions of Section 178(2) of the Companies Act, 2013. The Independent Directors also reviewed the performance of the Non-Independent Director, Board and Chairman of the Company.

#### **NUMBER OF BOARD MEETINGS**

The Board met four times during the Financial Year 2019-20 on 28<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020.

#### **NOMINATION AND REMUNERATION POLICY**

The Company has in place a formal Nomination and Remuneration Policy formulated as per the provisions of Section 178 of the Act. The text of the Policy is available at the website of the Company [www.rameshwara.jute.com](http://www.rameshwara.jute.com).

#### **AUDIT COMMITTEE**

Shri Rajendra Prasad Pansari is the Chairman of the Committee. The Audit Committee is comprised of Shri Rajendra Prasad Pansari, Shri Krishan Kumar Chandak and Smt. Sarat Priya Patjoshi. There was no disagreement between the Audit Committee and the Board during the year under Report.

#### **RELATED PARTY TRANSACTIONS**

All Related Party transactions that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There was no related party transaction covered under the provisions of Section 188 of the Act. Hence, no disclosure in Form AOC-2 is mandated. The aforesaid transactions under omnibus approval were placed before the audit committee for review from time to time in terms of regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel, except the arms' length transactions disclosed under **Note No. 33** of the Notes to the Financial Statements, which could conflict with the interest of the Company at large.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loan or corporate guarantee or made any other investment covered under Section 186 of the Act during the year under report.

#### **DEPOSITS**

No deposits within the meaning of Section 73 of the Act, were accepted by the Company during the year under review.

### **CORPORATE SOCIAL RESPONSIBILITY(CSR)**

The Corporate Social Responsibility Committee is comprised of three Directors, Shri Rajendra Prasad Pansari, Shri Krishan Kumar Chandak and Smt. S. P Patjoshi. Shri Rajendra Prasad Pansari is the Chairman of the Committee.

As per the provision of Section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was not mandated to spend any amount as specified under Section 135(5) of the Act. The Annual Report on Corporate Social Responsibility Activities under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure I** to this Report.

However, the Company continued to meet the social commitments in and around the area of operations at Baraiburu tatibu-West Singhbhum, Jharkhand and pursuing that it had implemented various programmes in the past for the benefit the society in general for persons living in the vicinity of its operations.

The text of the Corporate Social Responsibility Policy of the Company under Section 135 of the Act is available on [www.rameshwarajute.com](http://www.rameshwarajute.com).

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report is attached as **Annexure II** to this Report.

### **VIGIL MECHANISM**

In compliance of Section 177(9) of the Companies Act, 2013, the Company's Whistle Blower Policy is hosted on its website [www.rameshwarajute.com](http://www.rameshwarajute.com) .

### **STATUTORY AUDITORS & REPORT**

Messrs. A. Singhi & Company, Chartered Accountants, having Firm Registration No. 319226E, appointed as Statutory Auditors of the Company for a term of five years at the Annual General Meeting held on 13<sup>th</sup> September, 2017, continues to be the Statutory Auditors of the Company.

The Statutory Auditor's Report is self-explanatory and there being no qualification, requires no explanation.

### **SECRETARIAL AUDIT**

Shri Kamal Kumar Sharma, Practising Company Secretary (ICSI CP Registration No. 4057) was appointed by the Board in terms of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, to audit the Secretarial records of the Company in respect of the year under reference.

There being no qualification in the Report as such needs no further explanation. The Secretarial Report for the year under reference is given as **Annexure III** to this Report.

### **COST AUDIT**

The Company is not mandated to maintain Cost Records or have audited its records by a Cost Auditor under Section 148 of the Act.

### **RISK MANAGEMENT**

Identification and evaluation of the perceived business risks are evaluated continuously by the Management in terms of the perceived risks and rewards attached thereto.

### **SIGNIFICANT AND MATERIAL ORDERS**

There were no orders passed by the Regulators or Courts or Tribunals impacting the Company's going concern status and its future operations during the financial year under reference.

### **MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments between the end of the financial year and the date of report, which would have effect on the financial position of the Company.

### **INTERNAL CONTROL SYSTEMS**

By means of internal audits periodically through an Independent Auditor, the internal control system is monitored and evaluated periodically by the Audit Committee. The Company has adequate system of internal control commensurate with the size and nature of its business.

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

The provisions of Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo during the year under reference, were not applicable to the Company.

**PARTICULARS OF REMUNERATION**

The provisions of Section 197 of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable as no employee or Director of the Company was in receipt of such remuneration as prescribed under the aforesaid Rule.

Details as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as **Annexure IV** of this Report.

**COMPLIANCE OF SECRETARIAL STANDARDS ON BOARD AND MEMBERS MEETINGS (SS-1&SS-2)**

During the financial year under reference, the Company had complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE**

The Company has an internal committee under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

There was no complaint during the financial year under reference on the issues covered under the said Act.

**DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT**

Disclosure with respect to Unclaimed Suspense Account are not applicable to the Company as there is no such case of Unclaimed Dividend in the Company as on date.

**EXTRACT FROM ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 as required under Section 92 of the Act are hosted on the website of the Company [www.rameshwarajute.com](http://www.rameshwarajute.com).

**ANNEXURES FORMING PART OF THIS REPORT**

Annexure	Particulars
I	Report on Corporate Social Responsibility (CSR) activities
II	Management Discussion and Analysis Report
III	Secretarial Audit Report
IV	Details under Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**ACKNOWLEDGEMENT**

During the year under reference, the Board places on record its gratitude for the continuing support received from the State Government, Central Government, Banks and other Stakeholders and acknowledges the support and co-operation received from the employees of the Company and all stakeholders.

Place : Kolkata  
Date : 28<sup>th</sup> day of August, 2020

R. P. PANSARI | *Chairman*  
K. K. CHANDAK | *Directors*  
S. P. PATJOSHI

**Annual Report on Corporate Social Responsibility (CSR) Activities**

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

To fulfill its commitment towards the society as a responsible corporate citizen, the Company has made Corporate Social Responsibility (CSR) activities as an integral part of its business. The Company is aware of and recognizes its commitment and obligations to discharge this responsibility towards society at large.

The Company's CSR Policy has been hosted on its website [www.rameshwarajute.com](http://www.rameshwarajute.com).

2. The composition of the CSR Committee: The Committee is chaired by Shri Rajendra Prasad Pansari with Shri Krishan Kumar Chandak and Smt. S. P. Patjoshi as Members.
3. Average net profit of the Company for last three financial years: Nil. As the average net profit for last three financial years (preceding the financial year under review) was in negative:

Particulars	Last three Financial years (` in Crore)			Average Net Profit/(Loss) for calculating CSR expenditure (` in Crore)
	2018-19	2017-18	2016-17	
Net Profit (Loss)*	23.42	(53.72)	(3.83)	(11.38)

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): The prescribed CSR expenditure required to be spent during the financial year 2019-20 was Nil since the average net profit for last three financial years (preceding the financial year under review) was in negative.
5. Details of CSR spent during the financial year
- (a) Total amount to be spent for the financial year : Nil
  - (b) Amount unspent, if any : Not Applicable
  - (c) Manner in which the amount spent during the financial year : Not applicable
6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report : Not Applicable
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

Keeping the CSR objectives and Policy of the Company in mind, implementation and monitoring of CSR Policy is in compliance.

**For and of behalf of the Board of Directors**

Place : Kolkata  
Date : 28<sup>th</sup> day of August, 2020

**R. P. PANSARI**  
*Chairman of CSR Committee*

**K. K. CHANDAK**  
*Director*



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The following operating and financial review is intended to convey the management's perspective on the financial condition and on the operating performance of the Company as at the end of the Financial Year 2019-20 and this should be read in conjunction with its Financial Statement, Schedules and Notes thereto and the other information included elsewhere in the Annual Report.

### **INDUSTRY STRUCTURE DEVELOPMENT**

#### **Iron Ore Mining Industry Overview**

The Mining Industry in India is a major economic activity which contributes significantly to the economy of India. Rise in infrastructure development and automotive production are driving growth in the metals and mining sector in India. India has a vast mineral potential with mining lease granted for longer durations of 20 to 30 years.

India ranks fourth in terms of iron ore production globally. Production of iron ore in Financial Year stood at 205.70 million tonnes. India has around eight per cent of the world's iron ore deposits.

Government of India has allowed 100 per cent Foreign Direct Investment (FDI) in the mining sector and exploration of metal and non-metal ores under the automatic route, which will propel growth in the sector. Power and cement industries also aiding growth in the metals and mining sector. Given the strong growth expectations from residential and commercial building industry, demand for iron and steel is set to grow.

#### **Opportunities & Threats**

There are opportunities for mining equipment players. Even for open cast mining, companies are increasing capacity. Some are expanding underground activities as these do not involve land acquisition or forest clearance. Also, given the growing trends in power demand and per capita consumption of metals in the medium-long term, there are sizeable opportunities for mining and suppliers.

As the long-term demand for iron, other metals and energy in India is intact, demand growth for minerals is assured. The State Governments have started getting ambitious in revenue generation from the sector and are certain that if these headwinds abate, mining in India can gradually ramp up. On the other hand, if the policy challenges remain and no clear direction is provided, India may have to increasingly resort to imports to meet its domestic demand. That will be a huge loss of opportunity.

The COVID-19 pandemic has had an immediate impact on the global economy and that impact goes across all industries, including mining. Some industry players in mining will be more affected than others by the new set of challenges facing the industry.

#### **Product Performance of the Company**

Mining operations were continued during the year under reference with full swing. The division has raised 6,81,821 MT of Iron Ore in Financial Year 2019-20 as against 5,94,260 MT of Iron Ore production in Financial Year 2018-19 and sold 7,96,615 MT of Iron Ore during the Financial Year 2019-20 as against 3,43,809 MT in FY 2018-19.

The division earned operational profit of ` 3911.67 lakhs as against profit of ` 2438.23 lakhs in Financial Year 2018-19.

The financial performance during the year of the Company is as under :

**FINANCIAL RESULTS :**

	<u>31<sup>st</sup> March, 2020</u>	<u>31<sup>st</sup> March, 2019</u>
		( ₹ in Lakh)
Sale of Product	15833.82	8326.73
Sale of Services	80.62	128.78
Other Income	63.90	32.63
<b>Total Revenue</b>	<b>15978.34</b>	<b>8488.14</b>
Profit/(Loss) before Interest, Depreciation and Tax	4908.74	3828.64
Less: Depreciation	745.23	749.20
Finance Cost	215.34	661.46
Tax Expenses	(230.86)	542.47
	<u>729.71</u>	<u>1953.13</u>
<b>Profit/(Loss) for the year</b>	<b>4179.03</b>	<b>1875.51</b>
Other Comprehensive Income (net of tax expense)	(53.04)	(479.56)
<b>Total Comprehensive Income/(Loss) for the year</b>	<b>4125.99</b>	<b>1395.95</b>

As would be evident from the above, the performance of the company showed distinct improvement.

**Outlook**

Going forward, the outlook of the division is very challenging, The Mining right assigned to the Company has expired on 31<sup>st</sup> March, 2020.

**Risks and Concerns**

Change is the only certainty for today's global mining industry. Along with traditional risks such as commodity price and access to reserves, new and growing threats involving cyber-attacks, access to water and energy, health and safety issues, climate change and a host of other factors all play a critical role in the risk landscape. However, miners can also help support growth and sustainability through the adoption of innovative technologies designed to better manage operational costs, improve extraction methods, streamline distribution, increase worker productivity, and mitigate risks. In every case, the proper strategic response to risk can be an opportunity to create value for mining companies.

Safety and environmental control of mining activity remain key drivers, but expectations of sustainable development require the provision of electricity, water, healthcare and education to the local communities where mining operations are based.

As a number of mining companies were financing operational expansion on the back of debt, many have been significantly affected by the tight financial conditions in the Country. Credit markets seized up, requiring balance sheets to be shored up to prevent a funding crisis. Drastic measures had to be taken including suspending operations, divestment of noncore assets and other cost-cutting measures to protect earnings.

**Business Support Services**

The Support Services given by the Company showed a reduction in revenue from ₹ 128.78 Lakhs in the Financial Year 2018-19 to ₹ 80.62 Lakhs in the current Financial Year i.e. 2019-20

This segment of the Company contributes a negligible amount to the total turnover of the Company and, therefore, is not significant to be discussed in detail.

**Financial Performance with respect to operational performance during 2019-20**

The “General Review” incorporated in the Board’s Report sets out a brief performance of the Company’s operating businesses.

The Company’s improved operational performance during 2019-20 as compared with the previous year favourably impacted financial ratios. The following critical ratios have changed beyond the 25% indicative threshold specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all of them for the better and due to increase in production :

- a. The Debtors Turnover Ratio which stood at 47.55 as at 31<sup>st</sup> March, 2019 came to 24.49 as at 31<sup>st</sup> March, 2020.
- b. The Operating Profit Margin percentage went up to 0.26% from 0.36% in the previous Financial Year.
- c. The Net Profit Margin percentage went up to 0.25% from 0.29% in the previous Financial Year.
- d. The Inventory Turnover Ratio went up to 16.43 from 6.25 in the previous Financial Year.
- e. The Interest Coverage Ratio went up to 19.33 from 4.66 in the previous Financial Year.
- f. The Current Ratio which stood at 0.38 as at 31<sup>st</sup> March, 2019 came to 0.88 as at 31<sup>st</sup> March, 2020.
- g. The Debt-Equity Ratio went up to 0.52 from 2.61 in the previous Financial Year.

The Net Worth as at 31<sup>st</sup> March, 2020 increased to ₹ 1095.39 Lakhs from ( ₹ 3079.52) Lakhs in the previous year due to the Company’s improved financial performance.

**Internal Control Systems and its adequacy**

Adequate Internal Control System exists as stated in the Board’s Report.

**Material Developments in Human Resources**

The Company realises that a committed and self motivated human capital is the key to continued growth in an adverse economic environment and is dedicatedly pursuing this goal.

The number of people employed as on 31<sup>st</sup> March, 2020 is separately covered under **Annexure IV** to the Board’s Report.

**For and of behalf of the Board of Directors**

Place : Kolkata  
Date : 28<sup>th</sup> day of August, 2020

**R. P. PANSARI**  
*Chairman*

**K. K. CHANDAK**  
*Director*

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**ANNEXURE - III**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020**

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

To,  
**The Members,**  
**The Rameshwara Jute Mills Limited**  
**'Birla Building', 8th Floor,**  
**9/1, R. N. Mukherjee Road,**  
**Kolkata – 700001**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Rameshwara Jute Mills Limited (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 my 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 the 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 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Rameshwara Jute Mills Limited (the Company) for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not Applicable to the Company during the Audit Period);
- (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 (Not Applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit Period);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);

- (vi) Following other laws are specifically applicable to the Company:
1. The Mines and Minerals (Development and Regulation) Act, 1957.
  2. The Mines Act, 1952
  3. The Water (Prevention and Control of Pollution) Act, 1974
  4. The Water (Prevention and Control of Pollution) Cess Act, 1977
  5. The Environment (Protection) Act, 1986
  6. Air (Prevention and Control of Pollution) Act, 1981
  7. The Forest (Conservation) Act, 1980

I have also examined compliance with the applicable clauses of the following-

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:

I have examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and the Company has complied with the same to the extent possible.

- (ii) The Listing Agreement entered into by the Company with The Calcutta Stock Exchange Limited:

I further report that during the period under review the Company has complied with the Listing Agreement entered into by the Company with The Calcutta Stock Exchange Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

**I further report that**

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

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

There is no disagreement of the Audit Committee with the Board requiring any notice of and/or disclosure by the Company in relation to any matter.

All decisions of the Board were unanimous and the same were captured and recorded as part of the minutes.

**I further report that** I have been informed by the company that dematerialization of it's shares is pending as the confirmation of company's listed capital is awaited from The Calcutta Stock Exchange Ltd.

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

**I further report that** during the audit period there were no instances of :

- (i) Issue of Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations.

**CS KAMAL KUMAR SHARMA**

Place : Kolkata  
Date : 28<sup>th</sup> July, 2020

FCS No. 3337  
C P No.: 4057

**Note :** This report is to be read with "Annexure-I" attached herewith and forms an integral part of this report.

**To  
The Members  
The Rameshwara Jute Mills Limited  
'Birla Building', 8th Floor,  
9/1, R. N. Mukherjee Road,  
Kolkata – 700001.**

My report of even date for the financial year ended 31<sup>st</sup> March, 2020 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 have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records and other relevant records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company as it is a part of financial audit as per the provisions of the Companies Act, 2013.
4. Wherever required, I have obtained the management representation 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 the management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Date : 28<sup>th</sup> July, 2020

**CS KAMAL KUMAR SHARMA**  
FCS No. 3337  
C P No.: 4057

**ANNEXURE - IV**

**Details as required under Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2020.**

SI No.	Requirement	Details
(i)	The ratio of the remuneration of each Director to the median of remuneration of employees of the Company for the Financial Year.	Shri Rajendra Prasad Pansari - 0.01:1 Shri Umrao Chand Jain - 0.01:1 Shri Shyam Sundar Jajodia - 0.01:1 Shri Kashi Prasad Chaudhary - 0.01:1 Shri Hukam Chand Daga - 0.00:1 Shri Gautam Ganguli - 0.01:1 Shri Pawan Kumar Chhawchharia - 0.01:1 Smt Sarat Priya Patjoshi - 0.01:1
(ii)	The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in Financial Year.	<p><b>Directors :</b></p> Shri Rajendra Prasad Pansari -30.00% Shri Umrao Chand Jain - (28.57)% Shri Shyam Sundar Jajodia - 37.5% Shri Kashi Prasad Chaudhary -(44.44)% Shri Hukam Chand Daga - (42.86)% Shri Gautam Ganguli - (36.36)% Shri Pawan Kumar Chhawchharia - 0.00% Smt Sarat Priya Patjoshi - 100% Shri Krishan Kumar Chandak- N.A*
		<p><b>Key Managerial Personnel :</b></p> Shri Suresh Kumar Sharma, CEO - 0.00% Shri Amit Dhanuka, CS - 0.00% Shri Kishor Kumar Sharma, CFO - 0.00% Ms. Priyanka Arora- N.A**
(iii)	The percentage increase in median remuneration of employees in the Financial Year.	41.81%
(iv)	The number of permanent employees on the rolls of Company.	35
(v)	a) Average percentile increase already made in salaries of employees other than the managerial personnel in the last Financial Year	a) 27.37%
	b) its comparison with the percentile increase in the managerial remuneration.	b) 0.00%
	c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	c) The average percentage of increase in salary of Managerial Personnel is nil, requires no justification.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes.

\* Shri Kishan Kumar Chandak appointed as an Additional Independent Director w.e.f. 13<sup>th</sup> February 2020.

\*\* Ms. Priyanka Arora appointed as Company Secretary of the Company w.e.f 13<sup>th</sup> February, 2020.

R. P. PANSARI | Chairman

Smt. S. P. PATJOSHI | Directors  
K. K. CHANDAK |

Place : Kolkata  
Date : 28th day of August, 2020



**A.SINGHI & CO.**  
CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR’S REPORT

### To the Members of The Rameshwara Jute Mills Limited

#### Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **The Rameshwara Jute Mills Limited ('the Company')**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Opinion

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

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to Note 39 (v) of the financial statement regarding the expiry of Mining Right assigned to the Company on 31.03.2020 and the sale of closing stock in hand as on that date.

We also invite attention to Note No. 39 (vii) of the financial statements which describes the impact of Corona virus disease (COVID-19) on the operations and financials of the company.

Our opinion is not modified in respect of these matters.

#### Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the 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 the matters described below to be the key audit matters to be communicated in our report.

KEY Audit Matters	How our Audit addressed the Key Audit Matters
<p><b><u>Property, Plant &amp; Equipment and Intangible Assets</u></b> There are areas where management judgement impacts the carrying value of property, plant &amp; equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p>



<b>KEY Audit Matters</b>	<b>How our Audit addressed the Key Audit Matters</b>
<p>asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use.</p> <p>Due to the materiality in the context of the balance sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.</p>	<p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realisable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation; the useful lives of assets prescribed in the Schedule II of the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management. We have observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.</p>
<p><b><u>Fair value measurement of Financial Instruments</u></b></p> <p>Due to the significance of financial instruments measured at fair value, and a high degree of judgement related to their valuation, we consider this as a key audit matter.</p>	<p>We assessed the design followed by the management and tested the operating effectiveness of internal control over the valuation, data integrity, independent price verification and model approval.</p> <p>For area of higher risk and estimation, our audit procedure focused on the comparison of judgement made to market practice and performance of valuations over a selection of instruments, assessing the key inputs, assumptions and models used in the valuation process. We compared our results with the Company's valuation.</p>
<p><b><u>Goods &amp; Service Tax</u></b></p> <p>Due to the significance of considerable amount involved in the Input &amp; Output amount of GST, the Company is required to apply judgement in the interpretation with respect to input tax credit available and future utilisation, difference in rate of input tax &amp; taxability of the products &amp; services etc. As significant judgement of the management is required, the area is key audit matter for our audit.</p>	<p>Our audit process involved assessing the management's judgements on the interpretations involved, viability of future utilisation of input credit available on GST portal and taking into account the advices and opinion received from indirect tax experts working with/in the company.</p>

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

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussions and Analysis, Corporate Social Responsibility Report and Details under rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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 during the course of our audit or otherwise appears to be materially misstated.

We, based on the work we have performed, have not come across any material misstatement of this other information and consequently have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended.

This responsibility also includes the 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility for the Audit of the 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 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.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide, those charged with governance, with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the 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 of India in terms of sub-section (11) of section 143 of the Act we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further, as required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The financial statements dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors as on **31<sup>st</sup> March, 2020** taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March, 2020** from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements.
    - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

1, R. N. Mukherjee Road,  
Kolkata, the 30<sup>th</sup> day of July, 2020

**For A. SINGHI & Co.**  
Chartered Accountants  
ICAI FRN : 319226E  
**(SUNIL SINGHI)**  
Partner  
Membership No.053088  
UDIN : 20053088AAAALO3284

**Annexure ‘A’ to the Independent Auditor’s Report referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date of The Rameshwara Jute Mills Limited.**

**We report that :**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets of the company have been physically verified by the management at reasonable intervals. As informed, 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 property are held in the name of the Company.
- (ii) We have been explained by the management that the inventory have been physically verified at reasonable intervals during the year. As far as we can ascertain and according to information and explanations given to us, the discrepancies, whenever material noticed on such verification of inventory as compared to book records were properly dealt within the books of accounts.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and making investments and providing guarantees as applicable and the Company has not granted any security in terms of Section 185 & 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits against any directives issued by the 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.
- (vi) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. Hence matters relating to this clause are not applicable
- (vii) (a) According to information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, service tax, goods & services tax, service tax, value added tax, cess and other material statutory dues to the extent applicable to it.

According to information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at **31.03.2020** for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, the dues on account of Sales Tax, Demand under MMDR Act and Surface rent have not been paid for dispute, vis-a-vis forums where such disputes are pending are mentioned below :

<b>Name of Statute</b>	<b>Amount in Lakhs (Rs.)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Surface Rent	1183.11	Since 2005-06	Apex Court
Metals & Minerals (Development and Regulation) Act, 1957	69.07	2017-18	District Mining Officer, West Singhbhum, Chaibasa

- (viii) According to information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of dues to any banks, financial institutions and debenture holders during the year. The Company did not have any outstanding loans or borrowings from government during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) To best of our knowledge and belief and according to the information and explanations given to us, neither any fraud on or by the Company was noticed or reported during the year nor have we been informed of such cases by the Management.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the managerial remuneration has been paid/provided in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) To best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

1, R. N. Mukherjee Road,  
Kolkata, the 30<sup>th</sup> day of July, 2020

**For A. SINGHI & Co.**  
Chartered Accountants  
ICAI FRN : 319226E  
**(SUNIL SINGHI)**  
Partner  
Membership No.053088  
UDIN : 20053088AAAALO3284

## **Annexure - B to the Independent Auditor's Report referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date of The Rameshwara Jute Mills Limited**

### **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 **The Rameshwara Jute Mills Limited ("the Company")** as on **3<sup>1st</sup> March 2020** in conjunction with our audit of the financial statements of the Company for the year ended as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Auditor Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind-AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control 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 transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind-AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind-AS financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 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 the 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 controls over financial reporting were operating effectively as at **31 March 2020**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

1, R. N. Mukherjee Road,  
Kolkata, the 30<sup>th</sup> day of July, 2020

**For A. SINGHI & Co.**  
Chartered Accountants  
ICAI FRN : 319226E  
**(SUNIL SINGHI)**  
Partner  
Membership No.053088  
UDIN : 20053088AAAALO3284

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2020**

(` in lacs)

Particulars	Notes	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>ASSETS</b>			
<b>1) Non-Current Assets</b>			
(a) Property, plant and equipment	3.1	93.20	67.90
(b) Capital Work in Progress	3.2	502.97	502.97
(c) Intangible Assets	3.3	0.07	734.84
(d) Financial Assets			
Investments	4	6,008.42	5,965.52
Loans and Advances	5	0.08	0.06
Other Financial Assets	6	192.02	192.02
<b>Total : Non Current Assets</b>		<b><u>6,796.76</u></b>	<b><u>7,463.31</u></b>
<b>2) Current Assets</b>			
(a) Inventories	7	345.50	1,091.82
(b) Financial Assets			
Trade Recievables	8	1,000.95	289.17
Cash and Cash Equivalents	9	11.89	200.33
Other Financial Assets	10	36.92	23.28
(c) Other Current Assets	11	1,235.99	1,236.76
<b>Total: Current Assets</b>		<b><u>2,631.25</u></b>	<b><u>2,841.36</u></b>
<b>TOTAL:</b>		<b><u>9,428.01</u></b>	<b><u>10,304.67</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
(a) Equity Share Capital	12	26.61	26.61
(b) Other Equity	13	5,691.67	2,818.70
<b>Total Equity</b>		<b><u>5,718.28</u></b>	<b><u>2,845.31</u></b>
<b>2) Non-Current Liabilities</b>			
(a) Provisions	14	31.46	24.49
(b) Deferred Tax Liabilities (net)	14	703.98	-
<b>Total: Non Current Liabilities</b>		<b><u>735.44</u></b>	<b><u>24.49</u></b>
<b>3) Current Liabilities</b>			
(a) Financial Liabilities			
Short Term Borrowings	15	-	4,650.00
Trade Payables	16	1,289.68	634.90
Other Financial Liabilities	17	1,524.15	1,344.56
(b) Other Current Liabilities	18	156.61	802.05
(c) Short Term Provisions	19	3.85	3.36
<b>Total: Current Liabilities</b>		<b><u>2,974.29</u></b>	<b><u>7,434.87</u></b>
<b>TOTAL:</b>		<b><u>9,428.01</u></b>	<b><u>10,304.67</u></b>

The accompanying note 1 to 39 form an integral part of the financial statements

As per our report of even date:

For **A. SINGHI & CO.**

Chartered Accountants

Firm Regn. No. 319226E

**(SUNIL SINGHI)**

Partner

(M. No. 053088)

UDIN :20053088AAAALO3284

Place : Kolkata

Date : 30th day of July, 2020

SURESH KUMAR SHARMA  
Chief Executive Officer

KISHOR KUMAR SHARMA  
Chief Finance Officer

PRIYANKA ARORA  
Company Secretary

**For and on behalf of the Board of Directors.**

R. P. PANSARI, DIN : 00869222

Chairman

S. S. JAJODIA, DIN : 00065195

Smt. S. P. PATJOSHI, DIN : 06620290

K. K. CHANDAK, DIN : 02529540

Directors



**THE RAMESHWARA JUTE MILLS LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(` in lacs)

Particulars	Notes	For the Year Ended 31 <sup>st</sup> March, 2020	For the Year Ended 31 <sup>st</sup> March, 2019
<b>INCOME:</b>			
Revenue from Operations	20	15,914.44	8,455.51
Other Income	21	63.90	32.63
<b>Total Revenue</b>		<b>15,978.34</b>	<b>8,488.14</b>
<b>EXPENSES</b>			
Changes in Inventories of Finished Goods, Work In Progress and Stock In Trade	22	746.32	(462.03)
Employee Benefits Expense	23	362.29	336.00
Finance Cost	24	215.34	661.46
Depreciation and Amortization Expense	25	745.23	749.20
Other Expenses	26	9,960.99	4,785.53
<b>Total Expenses</b>		<b>12,030.17</b>	<b>6,070.16</b>
<b>Profit / (Loss) before Tax</b>		<b>3,948.17</b>	<b>2,417.98</b>
<b>Tax Expense:</b>			
Current tax		302.79	509.79
Tax Expenses for earlier years		-	32.68
Deferred Tax		(533.65)	-
<b>Total Tax Expense</b>		<b>(230.86)</b>	<b>542.47</b>
<b>Profit / (Loss) for the period</b>		<b>4,179.03</b>	<b>1,875.51</b>
<b>Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to Profit &amp; Loss</b>			
- Actuarial gain/ loss, net of tax		(4.12)	0.82
- Fair value of investment routed through other Comprehensive income, net of tax		(48.92)	(480.38)
<b>(ii) Items that will be reclassified to profit or loss</b>			
		-	-
<b>Total Other Comprehensive Income</b>		<b>(53.04)</b>	<b>(479.56)</b>
<b>Total Comprehensive Income for the period</b>		<b>4,125.99</b>	<b>1,395.95</b>
<b>Earning Per Share (`)</b>			
	27		
Basic- Par Value of ` 10/- per share		1,570.73	704.93
Diluted- Par value of ` 10/- per share		1,570.73	704.93

The accompanying note 1 to 39 form an integral part of the financial statements

As per our report of even date:

For **A. SINGHI & CO.**

Chartered Accountants  
Firm Regn. No. 319226E

**(SUNIL SINGHI)**

Partner

(M. No. 053088)

UDIN :20053088AAAALO3284

Place : Kolkata

Date : 30th day of July, 2020

SURESH KUMAR SHARMA  
Chief Executive Officer

KISHOR KUMAR SHARMA  
Chief Finance Officer

PRIYANKA ARORA  
Company Secretary

**For and on behalf of the Board of Directors.**

R. P. PANSARI, DIN : 00869222

Chairman

S. S. JAJODIA, DIN : 00065195

Smt. S. P. PATJOSHI, DIN : 06620290

K. K. CHANDAK, DIN : 02529540

Directors

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(` in lacs)

<u>Perticulars</u>	<u>For the year ended</u> <u>31<sup>st</sup> March, 2020</u>	<u>For the year ended</u> <u>31<sup>st</sup> March, 2019</u>
<b>A. CASH FLOW FROM THE OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax</b>	<b>3,948.17</b>	<b>2,417.98</b>
<b>Non Cash Adjustments to reconcile net cash flow</b>		
Adjustments for :		
Other Comprehensive Income	(68.43)	(479.56)
Depreciation & Amortisation	745.23	749.20
Loss/ (Profit) on Sale of Property, Plant & Equipment	(0.41)	(1.46)
Provision for Expected Credit Loss	(8.58)	9.74
Effect of Fair Valuation of Non Current Investment	62.92	480.38
Loss /(Profit) on Sale of Non Current Investment	(0.83)	0.02
Provision no longer required Written Back	(7.86)	(0.25)
Dividend Received on Investment	(7.69)	(7.57)
Interest Received	(38.52)	(21.44)
Interest Expenses	215.34	661.46
<b>Operating Profit before Working Capital changes</b>	<b>4,839.34</b>	<b>3,808.50</b>
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(703.20)	(296.59)
(Increase)/Decrease in Inventories	746.32	(462.03)
(Increase)/Decrease in Other Financial Current Assets	(13.64)	(11.74)
(Increase)/Decrease in Other Current Assets	0.34	(732.09)
(Increase)/Decrease in Other Non Current Financial Assets	(0.02)	—
(Increase)/Decrease in Other Non Current Assets	—	18.16
Increase/(Decrease) in Long Term Provisions	6.97	0.50
Increase/(Decrease) in Trade Payables	654.78	322.47
Increase/(Decrease) in Other Financial Current Liabilities	179.60	288.13
Increase/(Decrease) in Other Current Liabilities	(637.58)	595.93
Increase/(Decrease) in Short Term Provisions	0.49	0.30
<b>Cash (used in) /generated from operations</b>	<b>5,073.40</b>	<b>3,531.54</b>
Direct taxes Paid (net of refunds)	(302.36)	(639.65)
<b>Cash Flow before extraordinary items</b>	<b>4,771.04</b>	<b>2,891.89</b>
Extra Ordinary Items	-	-
<b>Net Cash (used in)/from Operating Activities</b>	<b>4,771.04</b>	<b>2,891.89</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(` in lacs)

<u>Perticulars</u>	<u>For the year ended 31<sup>st</sup> March, 2020</u>	<u>For the year ended 31<sup>st</sup> March, 2019</u>
<b>B CASH FLOW FROM THE INVESTING ACTIVITIES</b>		
Purchase of Tangible Fixed Assets (PPE)	(36.91)	(26.36)
Sale of Tangible Fixed Assets (PPE)	1.56	4.34
Purchase of Non Current Investments	(105.00)	-
Sale of Non Current Investments	(0.00)	0.58
Interest Received	38.52	21.44
Dividend Received	7.69	7.57
<b>Net Cash Flow from/(Used in) Investing Activities</b>	<b><u>(94.14)</u></b>	<b><u>7.57</u></b>
<b>C CASH FLOW FROM THE FINANCING ACTIVITIES</b>		
Proceed from Short Term Borrowings (net)	(4,650.00)	(2,135.00)
Interest paid	(215.34)	(661.46)
<b>Net Cash Flow from/(used in) Financial Activities</b>	<b><u>(4,865.34)</u></b>	<b><u>(2,796.46)</u></b>
<b>D Net Increase/(Decrease) in Cash &amp; Cash Equivalent</b>	<b>(188.44)</b>	<b>103.00</b>
<b>Cash &amp; Cash Equivalent (Opening)</b>	<b>200.33</b>	<b>97.33</b>
<b>Cash &amp; Cash Equivalent (Closing)</b>	<b><u>11.89</u></b>	<b><u>200.33</u></b>
<b>E Cash &amp; Cash Equivalent</b>		
Cash on Hand	0.43	0.21
Current Accounts (bank)	11.46	200.12
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b><u>11.89</u></b>	<b><u>200.33</u></b>

- Notes :**
- a) The above cash flow statement has been prepared under the indirect Method as set out in Ind AS -7 "Statement of Cash Flows".
  - b) Previous years figures have been regrouped/rearranged wherever considered necessary.
  - c) This is the Cash Flow statement referred to in our report of even date.

As per our report of even date:  
For **A. SINGHI & CO.**  
Chartered Accountants  
Firm Regn. No. 319226E  
**(SUNIL SINGHI)**  
Partner  
(M. No. 053088)  
UDIN :20053088AAAALO3284  
Place : Kolkata  
Date : 30th day of July, 2020

SURESH KUMAR SHARMA  
Chief Executive Officer  
  
KISHOR KUMAR SHARMA  
Chief Finance Officer  
  
PRIYANKA ARORA  
Company Secretary

**For and on behalf of the Board of Directors.**

R. P. PANSARI, DIN : 00869222	Chairman
S. S. JAJODIA, DIN : 00065195	Directors
Smt. S. P. PATJOSHI, DIN : 06620290	
K. K. CHANDAK, DIN : 02529540	

**Statement of Changes In Equity**

**A. EQUITY SHARE CAPITAL**

(` in lacs)

Particulars	As At March 31, 2020	As At March 31, 2019
Balance at the beginning of the reporting period	26.61	26.61
Changes in the equity share capital during the year	—	—
<b>Balance at the closing of the reported period</b>	<b>26.61</b>	<b>26.61</b>

**B. OTHER EQUITY**

Particulars	Reserves & Surplus				Other Compreh- ensive Income	Total
	Capital Reserve (surplus on amalgamation)	Pref.Share Capital Redemption Reserve	General Reserve	Retained Earnings	Fair Valuation of Investment	
<b>Balance as at April 1, 2018</b>	<b>26.25</b>	<b>7.00</b>	<b>25.76</b>	<b>(5,041.87)</b>	<b>6,405.61</b>	<b>1,422.75</b>
Profit for the Year	--	--	--	1,875.51	--	1,875.51
Other Comprehensive Income for the Year	--	--	--	1.22	(480.78)	(479.56)
Total Comprehensive Income for the Year	--	--	--	1,876.73	(480.78)	1,395.95
<b>Balance as at March 31, 2019</b>	<b>26.25</b>	<b>7.00</b>	<b>25.76</b>	<b>(3,165.14)</b>	<b>5,924.83</b>	<b>2,818.70</b>
Profit for the Year	--	--	--	4,179.03	--	4,179.03
Less: Provision for Deferred Tax Liability	--	--	--	--	(1,253.02)	(1,253.02)
Other Comprehensive Income for the Year	--	--	--	(4.12)	(48.92)	(53.04)
Total Comprehensive Income for the Year	--	--	--	<b>4,174.91</b>	<b>(1,301.94)</b>	<b>2,872.97</b>
<b>Balance as at March 31, 2020</b>	<b>26.25</b>	<b>7.00</b>	<b>25.76</b>	<b>1,009.77</b>	<b>4,622.89</b>	<b>5,691.67</b>

The accompanying note 1 to 39 form an integral part of the financial statements

As per our report of even date:

For **A. SINGHI & CO.**

Chartered Accountants

Firm Regn. No. 319226E

**(SUNIL SINGHI)**

Partner

(M. No. 053088)

UDIN :20053088AAAALO3284

Place : Kolkata

Date : 30th day of July, 2020

SURESH KUMAR SHARMA  
Chief Executive Officer

KISHOR KUMAR SHARMA  
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PRIYANKA ARORA  
Company Secretary

**For and on behalf of the Board of Directors.**

R. P. PANSARI, DIN : 00869222

Chairman

S. S. JAJODIA, DIN : 00065195

Smt. S. P. PATJOSHI, DIN : 06620290

K. K. CHANDAK, DIN : 02529540

Directors

## NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

### NOTE : 1

#### I) CORPORATE INFORMATION

The Rameshwara Jute Mills Limited (the Company) is a public company domiciled and incorporated under the Act VII of the legislative Council of India entitled "The Companies Act, 1913". The Company is in the business of Mining and business support services. Its' shares are listed in India at the Calcutta Stock Exchange Limited.

#### II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

##### a) Statement of Compliance

The Financial Statement have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

##### b) Historical cost convention

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

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

##### c) Basis of Preparation

i) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in INR and all values are rounded to the nearest INR lakhs, except when otherwise indicated.

ii) Use of estimate

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 35.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Classification of Assets and Liabilities as Current and Non Current

All Assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & Activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### NOTE: 2

#### a) Property, Plant & Equipment

Property, Plant & Equipment including Capital Work In Progress are Stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing cost, if capitalized criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use.

## **NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2020**

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. No decommissioning liabilities are expected to be incurred on the assets of plant and equipment.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets in accordance with and in the manner specified under Schedule II of the Companies Act, 2013 except the assets costing Rs. 5000/- or below on which depreciation is charged @ 100% per annum on proportionate basis.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and the cost of asset not put to use before such date are disclosed under "Capital work in Progress". Subsequent expenditure relating to Property, Plant & Equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit & loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

<b>Class of Assets</b>	<b>Estimated useful life (in years)</b>
Building	60 years
Plant and Equipment	40 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	10 years
Electrical Equipment	10 years
Computer Accessories	3 years

### **Intangible Assets**

Mining Rights are initially recognised at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition cost i.e. cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to Mining Right.

Computer Software which are not an integral part of related hardware, is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent costs are included in the asset's carry amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the company and the cost of the item can be measured reliably. All other expenditure is recognised in the Statement of Profit & Loss.

Mining Rights are amortized over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, known technological advances and other economic factors. The amortization method and useful lives are reviewed periodically at each financial year.

## **NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

<b>Class of Assets</b>	<b>Estimated useful life (in years)</b>
Computer Software	5 years
Mining Right	Amortized over the period of mining right

### **b) Inventories**

Inventories are valued as under:

- a. Raw Materials: At lower of Cost or Net Realisable Value
- b. Finished Products: At lower of Cost or Net Realisable Value
- c. Stores, Spares and Components: At Cost
- d. Stock in process: At lower of Raw Material Cost plus estimated cost of conversion up to the stage of completion or Net Realisable Value

Cost includes all direct cost and applicable manufacturing and administrative overheads. Inventories are valued on FIFO basis. Variation, if any, between books and physical stocks detected on physical verification, obsolete & slow moving stocks are adjusted in accounts as found appropriate.

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

### **c) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured

- i. In respect of Sales:
 

When the significant risks and rewards of ownership of goods have been passed on to the buyer, which generally coincides with delivery/shipment of goods to customers.
- ii. In respect of Interest Income:
 

On time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. In respect of Service Income:
 

When the services are performed as per contract.
- iv. In respect of Dividend Income:
 

When right to receive payment is established.
- v. In respect of Insurance Claims:
 

On Settlement of Claims
- vi. In respect of Guarantee Commission:
 

When right to receive payment is established.

Under Ind-AS 18, Excise duty will not be netted from revenue and shown as a part of expenses. Revenue from product sales is recognized exclusive of Goods & Service Tax (GST) and net of returns, Sales Discount etc. Sales Returns are accounted for when goods are returned.

### **d) Cash & Cash Equivalents**

Cash & cash equivalents comprise cash on hand, cash at banks and deemed deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

## NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

### e) Impairment of Assets

#### i. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

#### ii. Non-financial assets

**Intangible assets and Property, plant and equipment** are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years

### f) Investments

Long term investments being Investment in Listed Equity Shares are stated at fair value through other comprehensive income. Provision is made when diminution in the value of investments is considered other than temporary in nature. Current investments are stated at lower of cost and market value.

### g) Financial instruments

#### 1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date

#### 2. Subsequent measurement

##### Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

##### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling



## NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income

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

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### 3. Derecognition of financial instruments

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

### h) Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### i) Employee benefits

#### i) Short Term Employment Benefits

Employee benefits of short-term nature are recognized as expense on an undiscounted basis in the statement of profit & loss of the year in which the related service is rendered.

#### ii) Post-Employment Benefits

Post employment defined benefits plan are recognized as expenses based on actuarial valuation at year end, which takes into account actuarial gains and losses.

## NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

The company provides for gratuity for eligible employees at year end. The Company recognizes the net obligation and re-measurements comprising of actuarial gains and losses in the other comprehensive income which are not reclassified to profit & loss in subsequent periods.

Post employment defined contribution plans are charged as an expenses as they call due or paid, whichever earlier.

### j) Provisions, Contingent Liabilities and Contingent Assets

The Company makes a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are disclosed when an inflow of economic benefit is probable and/or certain.

### k) Borrowing Costs

Borrowing Costs that are attributable to the acquisition and constructions of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs of the Year are charged to revenue in the period in which they are incurred.

### l) Leases

#### Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Finance charges are recognized in finance costs in the statement of profit and loss. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### m) Earnings per equity share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the Year by the weighted average number of equity shares outstanding during the Year. For the purpose of calculating diluted earnings per share, net profit after tax for the Year and the weighted average number of shares outstanding during the Year are adjusted with the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the Year, unless they have been issued at a later date.

### n) Cash Flow Statements

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

### o) Segment Reporting

#### Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offer different products and serves different markets. The analysis of geographical segment is based on the areas in which the customers of the company are located.

## NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

### Allocation of Common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenues and Expenses, which relate to the enterprise as a whole and which are not allocable to any segment on a reasonable basis, have been included under the head "Unallocated".

### Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### Refer note 32 for segment information presented.

p) In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments which have significant effect on the amounts recognised in the financial statement:

i. Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

ii. Allowance for Uncollected Accounts Receivable and Advances

Trade Receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are present value of the cash shortfall over the expected life of the financial assets.

iii. Defined Benefit Plans

The cost of the defined benefit plan and other post employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. Fair Value Measurement of Financial Instruments

When fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE: 3.1

(` in lacs)

**Tangible Assets**

**Property, Plant & Equipment**

Particulars	Building	Plant & Equipment	Furniture & Fixture	Office Equipments	Electrical Equipments	Vehicles	Other: Computer Accessories	Total
<b>Gross carrying Value</b>								
<b>As At April 1, 2018</b>	<b>47.77</b>	<b>15.44</b>	<b>2.60</b>	<b>8.58</b>	<b>16.47</b>	<b>3.95</b>	<b>4.41</b>	<b>99.22</b>
Additions	3.35	16.70	0.48	3.24	-	-	2.59	<b>26.36</b>
Disposals	-	-	(0.51)	(2.51)	-	-	(0.06)	<b>(3.08)</b>
Other Adjustments	-	-	-	-	-	-	-	-
<b>As At March 31, 2019</b>	<b>51.12</b>	<b>32.14</b>	<b>2.57</b>	<b>9.31</b>	<b>16.47</b>	<b>3.95</b>	<b>6.94</b>	<b>122.50</b>
Additions	-	12.47	0.36	-	24.08	-	-	<b>36.91</b>
Disposals	-	-	-	-	-	(1.34)	-	<b>(1.34)</b>
Other Adjustments	-	-	-	-	-	-	-	-
<b>As At March 31, 2020</b>	<b>51.12</b>	<b>44.61</b>	<b>2.93</b>	<b>9.31</b>	<b>40.55</b>	<b>2.61</b>	<b>6.94</b>	<b>158.07</b>
<b>Depreciation</b>								
<b>As At April 1, 2018</b>	<b>18.90</b>	<b>6.79</b>	<b>0.58</b>	<b>4.68</b>	<b>3.92</b>	<b>1.74</b>	<b>1.75</b>	<b>38.36</b>
Charges for the year	8.55	2.63	0.21	1.56	1.96	0.87	0.66	<b>16.44</b>
Disposals	-	-	(0.03)	(0.17)	-	-	-	<b>(0.20)</b>
Other Adjustments	-	-	-	-	-	-	-	-
<b>As At March 31, 2019</b>	<b>27.45</b>	<b>9.42</b>	<b>0.76</b>	<b>6.07</b>	<b>5.88</b>	<b>2.61</b>	<b>2.41</b>	<b>54.60</b>
Charges for the year	0.71	2.85	0.22	0.64	4.64	0.19	1.21	<b>10.46</b>
Disposals	-	-	-	-	-	(0.19)	-	<b>(0.19)</b>
Other Adjustments	-	-	-	-	-	-	-	-
<b>As At March 31, 2020</b>	<b>28.16</b>	<b>12.27</b>	<b>0.98</b>	<b>6.71</b>	<b>10.52</b>	<b>2.61</b>	<b>3.62</b>	<b>64.87</b>
<b>Net Carrying Value</b>								
<b>As At March 31, 2019</b>	<b>23.67</b>	<b>22.72</b>	<b>1.81</b>	<b>3.24</b>	<b>10.59</b>	<b>1.34</b>	<b>4.53</b>	<b>67.90</b>
<b>As At March 31, 2020</b>	<b>22.96</b>	<b>32.34</b>	<b>1.95</b>	<b>2.60</b>	<b>30.03</b>	<b>-</b>	<b>3.32</b>	<b>93.20</b>

NOTE: 3.2

**Capital Work In Progress\***

Particulars	Amount
<b>Gross carrying Value</b>	
<b>As At April 1, 2018</b>	<b>502.97</b>
Additions	—
Amount transferred from CWIP	—
Other Adjustments	—
<b>As At March 31, 2019</b>	<b>502.97</b>
Additions	—
Amount transferred from CWIP	—
Other Adjustments	—
<b>As At March 31, 2020</b>	<b>502.97</b>

\* Company purchased 411.92 acres of land for compensatory afforestation mandated for allotment of mining rights. The above land stand registered in the name of the company but mutation & pillar work are under process.

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE: 3.3

(` in lacs)

**Other Intangible Assets**

Particulars	Computer Softwares	Mining Rights	Total
<b>Gross carrying Value</b>			
<b>As At April 1, 2018</b>	<b>0.80</b>	<b>2,070.80</b>	<b>2,071.60</b>
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
<b>As At March 31, 2019</b>	<b>0.80</b>	<b>2,070.80</b>	<b>2,071.60</b>
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
<b>As At March 31, 2020</b>	<b>0.80</b>	<b>2,070.80</b>	<b>2,071.60</b>
<b>Depreciation</b>			
<b>As At April 1, 2018</b>	<b>0.20</b>	<b>603.80</b>	<b>604.00</b>
Charges for the year	0.26	732.50	732.76
Disposals	-	-	-
Other Adjustments	-	-	-
<b>As At March 31, 2019</b>	<b>0.46</b>	<b>1,336.30</b>	<b>1,336.76</b>
Charges for the year	0.27	734.50	734.77
Disposals	-	-	-
Other Adjustments	-	-	-
<b>As At March 31, 2020</b>	<b>0.73</b>	<b>2,070.80</b>	<b>2,071.53</b>
<b>Net Carrying Value</b>			
<b>As At March 31, 2019</b>	<b>0.34</b>	<b>734.50</b>	<b>734.84</b>
<b>As At March 31, 2020</b>	<b>0.07</b>	<b>0.00</b>	<b>0.07</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 4**

(` in lacs)

**Investments (Non Current Financial Assets)**

Particulars	As At 31 <sup>st</sup> March, 2020		As At 31 <sup>st</sup> March, 2019	
	Qty.	Amount	Qty.	Amount

**Financial Assets measured at fair value through Other Comprehensive Income Quoted (fully paid)**

**In Equity Instruments**

Century Enka Ltd	82,810	98.54	82,810	208.89
Chambal Fertilizers Ltd	1,650	1.79	1,650	2.76
Birla Corporation Ltd.	280	1.16	280	1.47
Universal cables Ltd.	37,728	31.75	37,728	83.06
Vindhya Telelinks Ltd.	100	0.43	100	1.40
Birla Cable Ltd.	100	0.03	100	0.15

**Unquoted (fully paid)**

**In Equity Instruments**

Essel Mining & Industries Ltd. (including bonus shares received @ 1:1500)	10,190,289	5,706.56	6,789	5,620.75
Birla Consultants Ltd.	14,382	-	14,382	8.53
Birla Building Ltd.	10,000	70.38	10,000	38.51

**In Mutual Funds**

ICICI Prudential Liquid Fund - Growth	3,459.020	10.12	-	-
ICICI Prudential Multicap Fund - Growth	7,463.653	15.38	-	-
HDFC Liquid Fund - Regular Plan - Growth	244.749	9.51	-	-
HDFC Equity Fund-Regular Plan-Growth	3,420.743	15.66	-	-
Aditya Birla Sunlife Savings Fund - Growth - Regular Plan	11,851.709	47.11	-	-
		<b>6,008.42</b>		<b>5,965.52</b>

Aggregate Market Value of Quoted Investments

231.48

297.73

Aggregate value of Unquoted Investments

5,776.94

5,667.79

**Refer Note 37 for valuation.**

**NOTE : 5**

**Loans and Advances (Non Current Financial Assets)**

Particulars	As At 31 <sup>st</sup> March, 2020		As At 31 <sup>st</sup> March, 2019	
	Security Deposits		0.08	
		<b>0.08</b>		<b>0.06</b>

**NOTE : 6**

**Other Financial Assets (Non Current Financial Assets)**

Particulars	As At 31 <sup>st</sup> March, 2020		As At 31 <sup>st</sup> March, 2019	
	Bank Balances			
Deposits *		192.02		192.02
<i>* Deposit pledged and held as lien by the Bank against Bank Guarantee</i>				
		<b>192.02</b>		<b>192.02</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE : 7

(` in lacs)

**Current Assets**

**Inventories**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
<b>(at Cost or net realisable value, whichever is lower)</b>		
Finished Goods	345.50	1,091.75
Stores	—	0.07
<b>Total</b>	<b>345.50</b>	<b>1,091.82</b>

NOTE: 8

**Current Assets**

**Trade Receivables**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
Considered Good, Secured	--	—
Considered Good, Unsecured	1,000.95	289.17
Considered Doubtful with Expected Credit Loss	—	9.74
Credit Impaired	—	—
	1,000.95	298.91
Less: Provision for Doubtful Debts	—	(9.74)
<b>Total</b>	<b>1,000.95</b>	<b>289.17</b>

NOTE: 9

**Current Assets**

**Cash and Cash Equivalents**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
<u>Cash and Cash Equivalents</u>		
Cash on hand	0.43	0.21
Balance with banks in Current accounts	11.46	200.12
<b>Bank Balances other than Cash and Cash Equivalents</b>		
Bank deposits	192.02	192.02
Less: Maturing after one year (shown as Non Current)	(192.02)	(192.02)
	—	—
<b>Total</b>	<b>11.89</b>	<b>200.33</b>

NOTE: 10

**Current Assets**

**Other Financial Assets**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
<u>Financial Assets at amortised cost</u>		
Interest Accrued on Fixed Deposits (with bank)	36.92	23.28
<b>Total</b>	<b>36.92</b>	<b>23.28</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 11**

(` in lacs)

**Current Assets**

**Other Current Assets**

<b>Particulars</b>	<b>As At March 31, 2020</b>	<b>As At March 31, 2019</b>
<b>Unsecured, Considered Good, unless otherwise stated</b>		
<u>Other Advances</u>		
Advances to Suppliers & Contractors	511.38	462.62
Advance Recoverable in Cash or in Kind for Value to be received	5.35	3.65
Advance Sales Tax	10.70	10.70
Advance Income Tax (net of provision for tax) (Provision: CY 812.58 : PY:509.79)	265.12	265.55
<u>Others</u>		
GST/Service Tax	441.85	491.13
Prepaid Expenses	1.59	3.11
<b>Total</b>	<b>1,235.99</b>	<b>1,236.76</b>

**NOTE: 12**

**Equity Share Capital**

<b>Particulars</b>	<b>As At March 31, 2020</b>		<b>As At March 31, 2019</b>	
	No. of Shares	Amount	No. of Shares	Amount
<b><u>Authorised</u></b>				
Ordinary Shares of Rs.10/- each	300,000	30.00	300,000	30.00
8.57% Cumulative Preference Shares	200,000	20.00	200,000	20.00
		<b>50.00</b>		<b>50.00</b>
<b><u>Issued, Subscribed and Paid Up</u></b>				
Ordinary Shares of Rs.10/- each				
At the Beginning of the Year	266,056	26.61	266,056	26.61
Add: Issued during the Year	—	—	—	—
<b>At the End of the Year</b>		<b>26.61</b>		<b>26.61</b>

**Terms / rights attached to Equity Shares**

The Company has only one class of Ordinary Share (Equity Shares) having a face value of ` 10 each. Each holder of Equity Shares is entitled to one vote per share.

The dividend, if any, proposed by the Board is subject to approval of the Shareholders except in case of Interim Dividend.

In the event of Liquidation of the Company, the Equity Share holders will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts, if any, in proportion to their Shareholdings.

**Details for preceeding Five Years of Equity Shares:**

The aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash in the last five year immediately preceeding the Balance Sheet date is **Nil**.

Equity Shares Calls Unpaid by directors and officers of the Company is **Nil**

Transferability of Shares is not subject to any restriction.



**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 12 (Contd.)**

(` in lacs)

Details of Shareholder holding more than 5% of paid up Equity Share Capital:

Shareholders	% of holding	No. of Shares	% of holding	No. of Shares
	As At 31.03.2020		As At 31.03.2019	
Chandrakant Birla	19.17	51,000	19.17	51,000
Central India General Agents Ltd	7.29	19,389	7.29	19,389
Padmavati Investment Ltd	14.57	38,778	14.57	38,778
The Punjab Produce & Trading Co.(P) Ltd	12.50	33,250	12.50	33,250
Gwalior Webbing Co. (P) Ltd	7.72	20,550	7.72	20,550
Birla Corporation Ltd	7.19	19,133	7.19	19,133

**NOTE: 13**

**Other Equity**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>(i) Capital Redemption Reserve</b>		
Balance at the beginning & end of the year	26.25	26.25
<b>(ii) Pref.Share Capital Redemption Reserve</b>		
Balance at the beginning & end of the year	7.00	7.00
<b>(iii) General Reserve</b>		
Balance at the beginning & end of the year	25.76	25.76
<b>(iv) Retained Earnings</b>		
Balance at the beginning of the year	(3,165.14)	(5,041.87)
Profit/(Loss) for the year	4,179.03	1,875.51
Acturial gain/loss, net of tax	(4.12)	0.82
Adjustment on account of sale of non current investment	—	0.40
	<b>1,009.77</b>	<b>(3,165.14)</b>
<b>(v) Other Comprehensive Income (Fair value of Investment)</b>		
Balance at the beginning of the year	5,924.83	6,405.61
Adjustment on account of fair valuation	(48.92)	(480.38)
Adjustment for Deferred Tax Liability	(1,253.02)	—
Adjustment on account of sale of non current investment	—	(0.40)
	<b>4,622.89</b>	<b>5,924.83</b>
	<b>5,691.67</b>	<b>2,818.70</b>

**Nature and purpose of other reserves**

**(i) Capital Reserve**

The Company has recognised profit on account of amalgamation in Capital Reserve.

**(ii) Preference Share Capital Redemption Reserve**

The Company has issued Preference Shares. Accordingly, the company has created PSRR as per the Companies (Share Capital and Debentures) Rules, 2014 (as amended), on redemption of Preference Shares.

**(iii) General Reserve**

Under the erstwhile Companies Act, 1956, a General Reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer of a specified percentage of net profit to General Reserve has been done away with.

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 13 (Contd.)**

( ` in lacs)

**(iv) Fair Value through Other Comprehensive Income (FVOCI) - Equity Instruments**

The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in FVOCI-Equity Instruments Reserve. The balance of the reserve represents such changes recognised net of amounts reclassified to Retained Earnings on disposal of such investments

**(v) Retained Earnings**

Retained Earnings represents the undistributed profit of the Company.

**NOTE: 14**

**Non Current Financial Liabilities**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>Provisions</b>		
Leave Encashment (unfunded)	31.46	24.49
Deferred tax liabilities (net) [refer note 34]	703.98	—
	<b>735.44</b>	<b>24.49</b>

**NOTE: 15**

**Short Term Borrowings**

Particulars	As At March 31, 2020	As At March 31, 2019
Loan Repayable on demand (Rate of Interest: 11% p.a.)		
<u>Unsecured</u>		
From Others	--	4,650.00
From Related Parties	--	—
	--	<b>4,650.00</b>

**NOTE: 16**

**Trade Payables**

Particulars	As At March 31, 2020	As At March 31, 2019
<u>For Goods &amp; Services</u>		
Payable to Micro Enterprises and Small Enterprises	--	—
Payable to Others	1,289.68	634.90
	<b>1,289.68</b>	<b>634.90</b>

**NOTE: 17**

**Other Financial Current Liabilities**

Particulars	As At March 31, 2020	As At March 31, 2019
Financial Liabilities at amortised cost		
Security Deposit from Contractors	3.47	3.66
Other Liabilities	268.50	203.27
Expense Payable	1,252.18	1,137.63
	<b>1,524.15</b>	<b>1,344.56</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 18**

(` in lacs)

**Other Current Liabilities**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
Statutory Dues	127.61	147.32
Advance from Customers	29.00	654.73
	<b>156.61</b>	<b>802.05</b>

**NOTE: 19**

**Short Term Provisions**

Particulars	As At March 31, 2020 Amount	As At March 31, 2019 Amount
Leave Encashment (unfunded)	3.85	3.36
	<b>3.85</b>	<b>3.36</b>

**NOTE: 20**

**Revenue from Operations**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
Sale of Products	15,833.82	8,326.73
Sale of Services	80.62	128.78
	<b>15,914.44</b>	<b>8,455.51</b>

(GST not included in Revenue from Operations)

**NOTE: 21**

**Other Income**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
Dividend on Investment (Non Current)	7.69	7.57
Interest Received from Bank on Deposit	38.52	21.44
Excess Provision against Other Liability Written Back	7.86	0.25
Miscellaneous Receipts	9.83	3.37
	<b>63.90</b>	<b>32.63</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 22**

(` in lacs)

**Changes in Inventories of Finished Goods, Work In Progress and Stock In Trade**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
<b>Opening Stock</b>	<b>1,091.82</b>	<b>629.79</b>
Finished Goods	1,091.75	629.72
Stock In Trade	0.07	0.07
<b>Closing Stock</b>	<b>345.50</b>	<b>1,091.82</b>
Finished Goods	345.50	1,091.75
Stock In Trade	—	0.07
	<b>746.32</b>	<b>(462.03)</b>

**NOTE: 23**

**Employee Benefits Expense**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
Salary, Wages & Bonus *	142.40	142.35
Contribution to Provident Fund & Other Funds	15.89	15.92
Staff Welfare Expenses & Other Allowances	204.00	177.73
	<b>362.29</b>	<b>336.00</b>

\* includes remunerations paid to Key Managerial Personnel (KMP) as disclosed separately in note 33C.

**Note: 24**

**Finance Cost**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
<u>Interest Paid on</u>		
Inter Corporate Deposits	180.80	626.48
Interest on Demand (MMDR Act)	34.54	34.54
Interest on Others	--	0.44
	<b>215.34</b>	<b>661.46</b>

**NOTE: 25**

**Depreciation and Amortization Expenses**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
On Tangible Assets	10.46	16.44
On Intangible Assets	734.77	732.76
	<b>745.23</b>	<b>749.20</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 26**

(` in lacs)

**Other Expenses**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
Iron Ore Raising Expenses	2,128.27	889.25
Compensatory aforestation Expenses	40.17	-
Screening Expenses	485.71	457.49
Haulroad Maintenance	96.00	96.00
Internal Shifting Expenses	401.55	234.25
Loader Charges	33.16	29.14
DMF Development Expenses	651.33	398.50
Royalty	2,171.10	1,328.33
Rent	184.69	158.96
Loading & Transportation Charges	2,381.82	796.49
Security Expenses	119.97	85.46
Water Sprinkling Expenses	95.22	41.54
Data Recording Expenses	60.87	32.47
Service Charges	6.50	12.47
Water & Electricity Charges	-	0.80
Consultancy Charges	9.35	10.77
General Charges	14.57	21.79
Insurance	3.69	1.83
P.T.& Telephone	2.99	2.88
Printing & Stationery	3.74	3.01
Sampling Expenses	43.72	26.12
Rates & Taxes	3.74	4.11
Legal & Professional Charges	0.72	2.99
Repair & Maintenance	48.98	20.43
Travelling & Conveyance Expenses	7.36	8.25
Vehicle Hire Charges	66.37	56.70
Corporate Social Responsibility Exp.	2.00	33.31
Other Expenses	30.48	20.63
Traffic Management Expenses	198.21	-
GST (Refer Note No.39 (iii))	667.05	-
Bad debt written off	(1.16)	64.14
Less: Provision for Bad debt	<u>1.16</u>	<u>(54.40)</u>
Loss on Investment	--	0.02
Auditors Remuneration		
As Auditors	1.30	1.36
Other Charges	<u>--</u>	<u>--</u>
Directors Fees	0.36	0.44
	<b><u>9,960.99</u></b>	<b><u>4,785.53</u></b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE : 27**

(` in lacs)

**Earning Per Share (EPS)**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
<b>Net Profit attributable to Equity shareholders</b>	<b>4,179.03</b>	<b>1,875.51</b>
Weighted Average number of equity Shareholders outstanding	266,056	266,056
Nominal Value of Equity Shares (Rs. Per share)	10.00	10.00
<b>Earning Per Equity Share (Rs.)</b>		
Basic	1,570.73	704.93
Diluted	1,570.73	704.93

**NOTE : 28**

**Contingent Liabilities & Commitments (to the extent not provided for)**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
-------------	------------------------------------------------	------------------------------------------------

- |                                                                                                                         |        |        |
|-------------------------------------------------------------------------------------------------------------------------|--------|--------|
| 1. Claim not acknowledge as debt:                                                                                       |        |        |
| a. Sales Tax (VAT) demand (FY: 2009-10,10-11 & 11-12)                                                                   | --     | 358.97 |
| b. Interest on delayed payment under MMDR, Act, 1957<br>(FY:17-18) (District Mining Officer, West Singhabhum, Chaibasa) | —      | 34.53  |
| 2. Bank Guarantee Provided to Indian Bureau of Mines, Ranchi                                                            | 192.02 | 192.02 |

3. Contingent Liabilities provided for:

During the earlier year the company has provided for ` 80 lacs towards surface rent demand disputed by the Compny in Apex Court, ` 1183.11 lacs now forms part of other current liabilities. (Previous Year : ` 1103.11). No part of provision has been withdrawn during the year.

**NOTE : 29**

**The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**

Based on information available, there are no vendors who have confirmed that they are covered under Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006' are given below:

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
-------------	------------------------------------------------	------------------------------------------------

- |                                                                                                                                                                                                                                                                        |     |     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| 1. Principal amount and interest thereon remaining unpaid to any supplier as on March 31                                                                                                                                                                               | -   | -   |
| 2. Interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year                                                                           | Nil | Nil |
| 3. The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act                                                         | Nil | Nil |
| 4. The amount of interest accrued and remaining unpaid                                                                                                                                                                                                                 | Nil | Nil |
| 5. The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act. | Nil | Nil |

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

(` in lacs)

**NOTE : 30**

**Income Tax Expense**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
<b>a) Income Tax Expense</b>		
<b>Current Tax</b>		
Current Tax on Profits for the Year	(302.79)	(509.79)
Adjustments for Current Tax of Prior Periods	--	(32.68)
<b>Total Current Tax Expense</b>	<u>(302.79)</u>	<u>(542.47)</u>
<b>Deferred Tax</b>		
Decrease /(Increase) in Deferred Tax Assets	535.04	—
(Decrease)/Increase in Deferred Tax Liabilities	(1,239.02)	—
<b>Total Deferred Tax Expense/(Benefit)</b>	<u>(703.98)</u>	<u>—</u>
<b>Income Tax Expense</b>	<u>(1,006.77)</u>	<u>(542.47)</u>
<b>b) Reconciliation of Tax Expense &amp; the Accounting Profit multiplied by Tax Rate</b>		
Profit before Tax	3,948.17	2,417.98
Tax @ 25.17% (2018-19: 29.12%)	(993.75)	(704.12)
Deferred Tax Assets not recognised	—	352.36
Exempt Income	7.69	7.57
Weighted deductions available in Tax	—	—
Permanent differences	—	—
Others (including difference in Tax rates)	(20.71)	(198.28)
<b>Total Income Tax Expense/(Credit)</b>	<u>(1,006.77)</u>	<u>(542.47)</u>
<b>c) Tax Losses</b>		
Unused Tax Losses for which no deferred tax has been recognised:		
Tax Losses	—	—
Unabsorbed Tax Depreciation	—	994.68
Potential Tax Benefit @ 25.17% (2017-18: 29.12%)	—	289.65
Minimum Alternate Tax (MAT) Credit Entitlement	—	—
<b>Total</b>	<u>—</u>	<u>289.65</u>

- i. Unabsorbed depreciation does not have any expiry period
- ii. Business Losses have an expiry ranging from 2 to 8 years as at the reporting date
- iii. MAT Credit Entitlement has an expiry period of 7 to 13 years as at the reporting date

NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

NOTE: 31

(` in lacs)

Employee Benefit

Particulars in respect of post retirement / other long term defined contribution / benefit plans of the Company are as follows :

Particulars	As At March 31, 2020 Amount		As At March 31, 2019 Amount	
<b>a. Defined Contribution Obligations</b>				
Provident Fund		10.50		9.93
Superannuation Fund		1.28		2.23
Employees Pension Scheme		5.10		5.59
<b>b. Defined Benefit Obligations (as per actuarial valuation)</b>	Gratuity (unfunded)	Leave Pay (unfunded)	Gratuity (unfunded)	Leave Pay (unfunded)
<b>1. Change in Present Value of Obligation during the year</b>				
Present value of Obligation at beginning of the year *	22.27	27.85	38.80	27.05
<b>Included in Profit &amp; Loss</b>				
Current Service Cost	4.69	2.74	4.08	2.63
Interest Cost	1.45	1.75	2.44	1.86
Past Service Cost	—	—	—	—
<b>Included in OCI</b>				
Actuarial Losses / (Gains)	1.05	5.51	(10.53)	0.82
<b>Others</b>				
Benefits Paid	(0.42)	(2.54)	(12.52)	(4.51)
<b>Present value of Obligation as at year end *</b>	<b>29.04</b>	<b>35.31</b>	<b>22.27</b>	<b>27.85</b>
<b>2. Change in Fair Value of Plan Assets during the year</b>				
Plan Assets at beginning of the year *	79.03	—	94.89	—
<b>Included in Profit &amp; Loss</b>				
Expected return on plan assets	5.20	—	7.12	—
<b>Included in OCI</b>				
Actuarial Gain / (losses) on plan assets	—	—	—	—
<b>Others</b>				
Employer's contribution	0.42	—	—	—
Benefits Paid	(0.42)	—	(12.52)	—
Return on Plan Asset (other than interest)	(0.06)	(2.54)	(10.46)	(4.51)
<b>Plan Assets at end of the year *</b>	<b>84.17</b>	<b>—</b>	<b>79.03</b>	<b>—</b>
<b>3. Reconciliation of Present Value of Defined Benefit Obligation and fair Value of Plan Asset</b>				
a. Present value of Obligation as at year end	29.04	35.31	22.27	27.85
b. Fair value of plan assets at year end	84.17	—	79.03	—
c. Funded Status [Surplus/(Deficit)]				
<b>Net Asset / (Liability) *</b>	<b>55.13</b>	<b>(35.31)</b>	<b>56.75</b>	<b>(27.85)</b>
<b>4. Expenses Recognised in the Statement of Profit &amp; Loss</b>				
a. Current Service Cost	4.69	2.74	4.08	2.63
b. Interest Cost	(3.75)	1.75	(4.68)	1.86
c. Past Service Cost	—	—	—	—
d. Expected return on Plan Assets	—	—	—	—
e. Actuarial Losses / (Gains)	—	—	—	—
<b>Total Expense *</b>	<b>0.94</b>	<b>4.49</b>	<b>(0.60)</b>	<b>4.49</b>
<b>5. Expenses Recognised in the Statement of Other Comprehensive Income</b>				
a. Net Actuarial (Gain) / Loss	—	5.51	—	0.82
<b>Total Expense</b>	<b>—</b>	<b>5.51</b>	<b>—</b>	<b>0.82</b>
<b>6. Bifurcation of PBO at the end of the year</b>				
a. Current Liability	3.25	3.85	2.66	3.36
b. Non Current Liability	25.79	31.46	19.61	24.49
<b>Total</b>	<b>29.04</b>	<b>35.31</b>	<b>22.27</b>	<b>27.85</b>
<b>7. Actuarial Assumptions</b>				
a. Discount Rate	6.58%	6.58%	7.50%	7.50%
b. Expected rate of Return on Plan Assets	6.58%	—	7.50%	—
c. Expected Remaining life of Employees	12	11	12	10
d. Method Used	PUCM	PUCM	PUCM	PUCM

\* No provision has been made against Gratuity due to excess of Planned Assets over obligations in this regard. The difference of the two proving assets, has not been recognised in the financial statements.

\*\* Leave Encashment liability has been determined on Actuarial Valuation as per Ind-As 19 and Rs 4.49 (service cost & finance cost) has been provided in the financial statements for the year under review and actuarial loss has been adjusted in other comprehensive income during the year.



**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

(` in lacs)

**NOTE: 32**

**Business Segment Information**

Primary Segment Reporting (Business Segment)

The Company has two reportable segments i.e. Mining and Others which have been identified in line with Ind-AS 108 'Operating Segments'. Disclosure required as per Ind-AS 108 is given as under :

Particulars	As At March 31, 2020				As At March 31, 2019			
	Mining	Services & Others	Unallo-cated	Total	Mining	Services & Others	Unallo-cated	Total
<b>Revenue</b>								
Sales	15,833.82	80.62	—	15,914.44	8,326.73	128.78	—	8,455.51
Other Income	35.44	0.01	20.76	56.21	16.57	3.48	5.01	25.06
Less: Inter Segment	—	—	—	—	—	—	—	—
Adjustments	—	—	—	—	—	—	—	—
<b>Total Revenue</b>	<b>15,869.26</b>	<b>80.63</b>	<b>20.76</b>	<b>15,970.65</b>	<b>8,343.30</b>	<b>132.26</b>	<b>5.01</b>	<b>8,480.57</b>
<b>Results</b>								
Changes in Inventories of Finished Goods	746.32	—	—	746.32	(462.03)	—	—	(462.03)
Employee Benefits Expense	337.34	24.95	—	362.29	289.52	46.48	—	336.00
Depreciation and Amortization Expenses	745.22	0.01	—	745.23	748.86	0.34	—	749.20
Other expenses	9,913.37	38.59	9.03	9,960.99	4,667.70	106.48	11.35	4,785.53
<b>Total Expenses</b>	<b>11,742.25</b>	<b>63.55</b>	<b>9.03</b>	<b>11,814.83</b>	<b>5,244.05</b>	<b>189.42</b>	<b>(8.97)</b>	<b>5,408.70</b>
Gross Profit / (Loss)	4,127.01	17.08	11.73	4,155.82	3,099.25	(21.04)	(6.34)	3,071.87
Interest (Expenses) / Income	(215.34)	—	—	(215.34)	(661.02)	—	(0.44)	(661.46)
Dividend Income	—	—	7.69	7.69	—	—	7.57	7.57
<b>Profit / (Loss) before Tax</b>	<b>3,911.67</b>	<b>17.08</b>	<b>19.42</b>	<b>3,948.17</b>	<b>2,438.23</b>	<b>(21.04)</b>	<b>0.79</b>	<b>2,417.98</b>
<b>Other Information</b>								
Segment Assets	3,503.74	5,924.2	—	9,428.01	4,090.62	6,214.05	—	10,304.67
Un-allocated Assets	—	—	—	—	—	—	—	—
<b>Total Assets</b>	<b>3,503.74</b>	<b>5,924.27</b>	<b>—</b>	<b>9,428.01</b>	<b>4,090.62</b>	<b>6,214.05</b>	<b>—</b>	<b>10,304.67</b>
Segment Liabilities	48.25	3,661.48	—	3,709.73	5,984.60	1,474.76	—	7,459.36
Un-allocated Liabilities	—	—	—	—	—	—	—	—
	48.25	3,661.48	—	3,709.73	5,984.60	1,474.76	—	7,459.36
<b>Total Liabilities (net)</b>	<b>3,455.49</b>	<b>2,262.79</b>	<b>—</b>	<b>5,718.28</b>	<b>(1,893.98)</b>	<b>4,739.29</b>	<b>—</b>	<b>2,845.31</b>
Capital expenditure	36.91	—	—	36.91	26.36	—	—	26.36
Depreciation	745.22	0.01	—	745.23	748.86	0.34	—	749.20

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

**NOTE: 33**

**Related Party Disclosures**

Particulars
-------------

a. List of Parties where control exists Nil Nil

b. The following transactions were carried out with related parties / Key Management Personal (KMP) in the ordinary course of business:

Particulars	Related Party (Relationship)	2019-20 in Lacs	2018-19 in Lacs
1. Remuneration & Reimbursement of expenses to KMP(s)	Suresh Kumar Sharma (CEO) Kishor Kurmar Sharma (CFO)	19.76	19.76
2. Sitting Fees to Directors	R. P. Pansari (Chairman) H. C. Daga (Director) K.P. Chaudhury (Director) S. S. Jajodia (Director) U. C. Jain (Director) G. Ganguli (Director) S. P. Patjoshi (Director) P. K. Chhawchharia (Director)	0.36	0.44

	in lakhs (2019-20)	in lakhs (2018-19)
* Short term benefits	17.05	17.05
Post employment benefits	1.69	1.69
Other long term benefits	1.02	1.02
<b>Total benefits</b>	<b>19.76</b>	<b>19.76</b>

**NOTE: 34**

**Deferred Tax**

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
-------------	--------------------------------------	--------------------------------------

**Deferred Tax Liabilities**

Fair Valuation Profit on Investments	1,239.02	—
Accelerated Depreciation	—	8.00
	<u>1,239.02</u>	<u>8.00</u>

**Deferred Tax Assets**

Deferred Tax Asset arising on account of Expenses allowable for tax purposes, when paid under section 43B of the Income Tax Act, 1961	297.77	338.00
Deferred Tax Asset arising on account of Provision for Doubtful Debt	—	3.00
Deferred Tax Asset arising on account of Provision for Leave Pay/Gratuity	8.89	—
Accelerated Depreciation	228.38	—
Unabsorbed Losses & Depreciation	—	1,872.00
<b>Total Deferred Tax Assets</b>	<b>535.04</b>	<b>2,213.00</b>
<b>Net Deferred Tax Assets/ (Liability)</b>	<b>(703.98)</b>	<b>2,205.00</b>

The Company has adopted Accounting Standard Ind-AS 12 issued by the Institute of Chartered Accountants of India . The company has recognised deferred tax liability (net of deferred tax asset) as on 31/03/2020. The company has recognised the deferred tax liability on investments held for long term basis due to change in taxability of the same in near future. Tax impact for the year has been adjusted against revenue for the year and past impact on fair value has been adjusted against equity during the year.

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE: 35

(` in lacs)

**Impairment Review**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
-------------	------------------------------------------------	------------------------------------------------

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit (CGU) or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The Impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the CGUs value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to - mid term market conditions. Key assumptions used in value-in -use calculations :

- a. Operating Margins (Earning before Interest & Taxes)
- b. Discount Rate
- c. Growth rate
- d. Capital Expenditures

NOTE: 36

**Other Disclosures required by Statute**

Particulars	For the Year Ended March 31, 2020 Amount	For the Year Ended March 31, 2019 Amount
-------------	------------------------------------------------	------------------------------------------------

a. Auditor's Remunerations (excluding GST)

1. Statutory Auditors

Audit Fees	0.70	0.70
Tax Audit Fees	0.13	0.13
Other Certification Charges	0.24	0.30
Reimbursement of Expenses	--	--
<b>Total</b>	<b>1.07</b>	<b>1.13</b>

2. Internal Audit Fees

Audit Fees	0.23	0.23
Reimbursement of Expenses	--	--
<b>Total</b>	<b>0.23</b>	<b>0.23</b>

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE: 37

(` in lacs)

**Financial Instruments**

**FINANCIAL ASSETS**

Sl. No.	Particulars	Fair Value Hierarchy	As At March 31, 2020		As At March 31, 2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial Assets: designated at Fair Value through OCI (Other Comprehensive Income)</b>					
a.	Long Term Investments	Level 1	144.65	231.48	38.82	297.73
b.	Long Term Investments	Level 2	2.18	5,776.94	2.18	5,667.79
c.	Current Investments	Level 1	—	—	—	—
			<b>Carrying Amount</b>	<b>Amortised Cost</b>	<b>Carrying Amount</b>	<b>Amortised Cost</b>
<b>2</b>	<b>Financial Assets: designated at Amortised Cost</b>					
a.	Loans & Advances (Non Current Financial Assets)		0.08	0.08	0.06	0.06
b.	Other Financial Non Current Assets		192.02	192.02	192.02	192.02
c.	Trade Receivables		1,000.95	1,000.95	289.17	289.17
d.	Cash & Bank Balances		11.89	11.89	200.33	200.33
e.	Other Financial Current Assets		36.92	36.92	23.28	23.28
	<b>Total</b>		<b>1,241.86</b>	<b>1,241.86</b>	<b>704.86</b>	<b>704.86</b>

**FINANCIAL LIABILITIES**

Sl. No.	Particulars	Fair Value Hierarchy	As At March 31, 2020		As At March 31, 2019	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial Liability: designated at Fair Value through Profit &amp; Loss</b>					
			—	—	—	—
			<b>Carrying Amount</b>	<b>Amortised Cost</b>	<b>Carrying Amount</b>	<b>Amortised Cost</b>
<b>2</b>	<b>Financial Liability: designated at Amortised Cost</b>					
a.	Short Term Borrowings		—	—	4,650.00	4,650.00
b.	Trades Payable		1,289.68	1,289.68	634.90	634.90
c.	Other Financial Current Liabilities (excluding derivatives & current maturity)		1,524.15	1,524.15	1,344.56	1,344.56
	<b>Total</b>		<b>2,813.83</b>	<b>2,813.83</b>	<b>6,629.46</b>	<b>6,629.46</b>

The fair value of Financial assets and Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than a forced or liquidation sale.

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

- The Company has adopted to Fair value its Long Term & Current Investments through OCI (Other Comprehensive Income)
- The Carrying Amounts of Current Assets / Liabilities are to be the same as their fair values due to short term nature.

**Fair Value Hierarchy**

- Level 1 Quoted Prices (unadjusted) in active markets for identical assets/liabilities
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the assets or the liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 Inputs for the Assets or Liabilities that are not based on observable market data (unobservable inputs)

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

NOTE : 38

(` in lacs)

**Financial Risk management- Objective & Policies**

The Company's financial liabilities comprise mainly of Trade Payables and Other payables. The Company's financial assets comprise mainly of Investments, Cash & Cash Equivalents, Other balances with banks, Trade Receivables and other Receivables. The Company is exposed to Market Risk, Credit Risk and liquidity Risk. The Board of Directors ('Board') oversee the management of these financial risks. They identify, assess and mitigate financial risks in order to minimise potential adverse effects on the company's financial performance.

**i. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. This is based on the financial assets and financial liabilities held as at March 31, 2020 and March 31, 2019.

**ii. Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

**iii. Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

Risk management is carried out by the CFO under policies approved by the Board of Directors. The CFO team identifies, evaluates and control financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as local government policy risk, pollution risk, rehabilitation risk, interest rate risk, and credit risk, use of financial instruments and application of funds and liquidity.

**CREDIT RISK**

**Ageing Analysis of Trade receivables**

As at March 31, 2020					As at March 31, 2019				
Not Due and Not Impaired	Upto Six Months	Six to Twelve Months	Above 12 Months	Total	Not Due and Not impaired	Upto Six Months	Six to Twelve Months	Above 12 Months	Total
—	—	1,000.95	—	1,000.95	—	34.27	254.90	—	289.17

**Cash And Cash Equivalents**

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions (mutual funds) with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in quoted shares, unquoted shares (strategic investment) and liquid mutual fund units.

**Liquidity Risk**

The Company's approach in managing liquidity risk is to ensure that, as far as possible, it will have sufficient liquidity to meet its liabilities as and when they fall due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020:

Particulars	Upto 1 year	1-2 years	2-4 years	4-9 years	Total
Long term borrowings including current maturity	—	—	—	—	—
Trade payables	1,289.68	—	—	—	1,289.68
Other financial liabilities (excluding derivatives)	1,684.61	31.46	—	—	1,716.07

**NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020**

(` in lacs)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Long term borrowings including current maturity	—	—	—	—	—
Trade payables	634.90	—	—	—	634.90
Other financial liabilities (excluding derivatives)	6,799.97	24.49	—	—	6,824.46

**Interest Rate Risk**

The Company's fixed rate short term borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rate.

**Price risk**

The Company's exposure to equity securities price risk arises from investment held by the Company and classified in the balance sheet at fair value through OCI. In general, these investments are not held for trading purposes. The table below summarises the impact of increase/decrease of the equity instrument prices on the Company's equity:

	Impact on profit before tax/equity	
	31-03-2020	31-03-2019
Share price Increase (5%)	300.42	298.28
Share Price Decrease (5%)	(300.42)	(298.28)

**2. Capital Risk Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	As at March 31, 2020	As at March 31, 2019
Borrowings	--	4,650.00
Trade payables	1,289.68	634.90
Other payables	1,716.07	2,809.36
Less: cash and cash equivalents	(11.89)	(200.33)
<b>Net debt</b>	2,993.86	7,893.93
Equity	5,718.28	2,845.31
<b>Capital and net debt</b>	8,712.14	10,739.24
Gearing Ratio	34.36%	73.51%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

**NOTE: 39**

**OTHERS**

- i) Previous Year figures have been re-grouped/re-arranged, wherever considered necessary to conform to current years classification.
- ii) Negotiations for renewal of Tenancy Agreement with UCO Bank for premises situated at New Delhi, India is still going on and have not been concluded.
- iii) (a) Value of Imported and Indigenous Raw Material, Stores, Spare Parts and Components consumed during the year - NIL  
(b) Sale of Services relate to business support extended to third companies.
- iv) GST Input amounting to Rs. 667.05 lacs has been charged to revenue during the year, which in the opinion of the management will not be utilised in near future on account of lack of availability of tax liability for set off.
- v) The Mining right assigned to the company has expired on 31.03.2020 and as on that date, the Mines had a closing stock of 2,92,029.18 MT of iron ore and 28.37 MT of Manganese ore. As per Rule 12(gg) of the Minerals (Other than Atomic and Hydrocarbon Energy Minerals) Concession Rules 2016, the Lessee is eligible to get permission for a period of 6 months commencing from 01.04.2020 for removal of such stock. The Company had applied the Government seeking permission for removal of the stock lying in the Mines. In view of the delay, the Company had approached the Hon'ble High Court of Ranchi vide WP© No 1420 of 2020 which was disposed by the Hon'ble Ranchi High court on 25.06.2020 with a direction to the District Mining Officer to take a decision on the issue within a period of three weeks. Matter is being pursued with the Government to obtain the permission under 12(gg) of the Mineral Concession Rules 2016 for removal of the stock lying in the Mines."
- vi) Pursuant to the enactment of the taxation law within amendment Act (Act, 2019) which is effective from 1st April, 2019, the Domestic Company's have an irreversible option to pay income tax at a concessional rate of 22% (with certain condition's) plus applicable Surcharge & Cess ("New tax regime"). These Financial Results have been prepared on the basis that the Company would avail the option to pay income tax under the new regime. However, the time available for exercise of such option is upto the due date for filling of return of income tax in accordance with the Income Tax Act, 1961.  
  
The MAT balance as on April 01, 2019 amounting to Rs. 376.85 lacs has not been carried forward as per provision of Section 115BAA of the Income Tax Act, 1961. However, the same would be available for utilization against any tax liabilities pertaining to past periods.
- vii) World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on 11/03/2020. Consequent to this, Government of India declared lockdown on 23/03/2020. This has impacted the normal business activities all over the country. Covid-19 has impacted the normal business activities of the company by way of supply chain disruption, unavailability of personnel, closure of offices / mines during the lock down period. However, other activities at mines & office has commenced with the permissions of local / appropriate authorities. The Board of directors does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as & when they fall due. The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comparing property, plant & equipment, intangible assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- viii) All figures are represented in ` (lakhs) up to two decimals, unless stated otherwise.

The accompanying note 1 to 39 form an integral part of the financial statements

As per our report of even date:

**For A. SINGHI & CO.**  
Chartered Accountants  
Firm Regn. No. 319226E  
**(SUNIL SINGHI)**  
Partner  
(M. No. 053088)  
UDIN :20053088AAAAALO3284  
Place : Kolkata  
Date : 30th day of July, 2020

SURESH KUMAR SHARMA  
Chief Executive Officer  
  
KISHOR KUMAR SHARMA  
Chief Finance Officer  
  
PRIYANKA ARORA  
Company Secretary

**For and on behalf of the Board of Directors.**

R. P. PANSARI, DIN : 00869222	Chairman
S. S. JAJODIA, DIN : 00065195	Directors
Smt. S. P. PATJOSHI, DIN : 06620290	
K. K. CHANDAK, DIN : 02529540	

